

**IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI
COURT-IV**

**C.P.(CAA)/29/MB/2026
c/w C.A.(CAA)/261/MB/2025**

*In the matter of
Sections 230 to 232, 66 of the Companies Act, 2013*

and

*In the matter of
Composite Scheme of Arrangement between*

Chhatisgarh Investments Limited
[CIN: U67120MH1982PLC331831]

... Resulting Company/
Petitioner Company

and

Sarda Dairy & Food Products Limited
[CIN: U15122CT2011PLC000089]

... Demerged Company/
Non-Petitioner Company

Pronounced: 07.07.2026

CORAM:

SHRI ANIL RAJ CHELLAN
HON'BLE MEMBER (TECHNICAL)

SHRI K. R. SAJI KUMAR
HON'BLE MEMBER (JUDICIAL)

Appearances

: *Hybrid*

For the Applicants

: PCA Harsh Ruparelia i/b A R C H and Associates, PCA.

For the Regional Director

: Mr. Gaurav Jaiswal, Company Prosecutor,
Representative of the Regional Director-WR,
MCA.

ORDER

1. The sanction of this Tribunal is sought under Sections 230 to 232, 66 of the Companies Act, 2013, to the Composite Scheme of Arrangement between Sarda Dairy & Food Products Limited (Demerged Company) and Chhatisgarh Investments Limited (Resulting Company) and their respective shareholders (Scheme). The Scheme provides for reorganisation of reserves and reduction of equity share capital of the Demerged Company and thereafter, the demerger of the Demerged undertaking of the Demerged Company into Resulting Company.

2. Heard the Ld. PCA for the Applicant Company and the Representative of the Regional Director (WR-II), Ministry of Corporate Affairs, Mumbai. Neither has any objector come before this Tribunal to oppose the Scheme nor has any party controverted any averments made in the Application.
3. The Ld. PCA for the Applicant Company submitted that the proposed Composite Scheme of Arrangement was approved unanimously by the Board of Directors of the Applicant Company *vide* board resolution dated 12.08.2025. A copy of the board resolution is part of the Application.
4. The Ld. PCA for the Applicant submitted that the Company Application has been filed in consonance with the order dated 12.02.2026, passed by this Tribunal in the connected Company Scheme Application bearing No. C.A.(CAA)/261/MB/2025.
5. The meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company were dispensed with *vide* order dated 12.02.2026 in C.A.(CAA)/261/MB/2025 of this Tribunal.
6. The Ld. PCA further submitted that the Applicant Company has complied with all requirements as per the directions of this Tribunal, and it has filed necessary Affidavits of compliance with this Tribunal. Moreover, the Applicant Company undertakes to comply with all statutory requirements, if any, as may be required under the Companies Act, 2013, and the Rules made thereunder.
7. **Nature of Business:**
The Applicant Company is engaged in investing and lending activities. It has 2 MW solar power plant and has also entered into real estate business.
8. **Rationale:**
The Ld. PCA for the Applicant Company submitted that the rationale for the Composite Scheme of Arrangement is expected to yield the following benefits:

Rationale for Part II of the Scheme, which deals with reorganization of reserves and reduction of equity share capital of SDPL in the manner set out in this Scheme:

- a. *The Scheme proposes to set off the credit balances in securities premium account of SDPL appearing as on the Appointed Date, against the existing debit balance in the Profit and Loss Account of SDPL, in order to right-size the balance sheet and to provide better financial position of SDPL by way of reorganization of the reserves appearing in the financial statements of SDPL;*
- b. *The reduction of equity share capital in the manner proposed in the Scheme would enable SDPL to rationalize its capital structure and present a true and fair financial position of SDPL in a better manner, which commensurate with its business and assets;*
- c. *The SDPL's financial position will become more accurate after the capital reduction;*
- d. *The proposed reorganization of the reserves and reduction of equity share capital is in the interest of the shareholders, creditors, and all concerned stakeholders of the SDPL. If the Scheme is approved, the books of the SDPL would present a fair representation of the financial position of the SDPL;*
- e. *The Scheme does not involve any financial outlay / outgo and therefore, would not affect the ability or liquidity of the SDPL to meet its obligations / commitments in the normal course of business.*

Rationale for Part III of the Scheme which deals with demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company in the manner set out in this Scheme, since it is envisaged that the following benefits would, inter alia, accrue to the Demerged Company and the Resulting Company:

- a. *Segregating the business of manufacturing of dairy and dairy related products from the residual assets will facilitate enhancement of the potential of the businesses so segregated for attracting strategic / financial investors having necessary ability, experience and interests in the business of Demerged Undertaking;*

- b. Enhance administrative and managerial efficiency, board focus, cost rationalization, ability to leverage financial and operational resources and achieving economies of scale; and*
- c. Allow in creating the ability to achieve valuation of the Demerged Undertaking based on respective risk-return profile and cash flows, attracting the right investors and thus enhancing flexibility in accessing capital.*

Accordingly, the Board of Directors of the Demerged and the Resulting Company have formulated this Scheme for: a) reorganization of reserves; b) reduction of equity share capital of the Demerged Company; and c) thereafter, demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company, pursuant to the provisions of Sections 230 to 232 read with section 66 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof). In view of the above, the Scheme will not be prejudicial to the interests of the shareholders, employees, lenders, creditors, customers and other stakeholders of the Demerged Company and the Resulting Company and there is no likelihood that the interests of any stakeholders would be prejudiced as a result of the Scheme. The Scheme also provides for other consequential matter connected thereto and does not involve any compromise or arrangement with the creditors, employees or any other stakeholders of the Demerged Company and/or the Resulting Company, and there is no likelihood that the interests of any stakeholders of the Demerged Company and the Resulting Company would be prejudiced, as a result of the Scheme.

9. **Swap Ratio:**

The Ld. PCA for the Applicant Company submitted that the consideration for the Scheme will be 25 (Twenty- Five) Redeemable Preference Share of Rs.100/- each of Resulting Company, for every 100 (Hundred) Equity Share of Rs.10/- each held in the Demerged Company.

10. The Regional Director (WR-II), Ministry of Corporate Affairs, Mumbai, has filed the Report dated 28.04.2026 with certain observations. The observations of the

Regional Director and the response submitted by the Applicant Company are summarised in the table below:

Sr. No.	Observation in the Report (28.04.2026) filed by the Regional Director	Reply of the Petitioner Company
2(a)	<p><i>That on examination of the report of the Registrar of Companies, Nagpur dated 24.04.2026 for Resulting Company (Annexed as Annexure A-1) that the Resulting Company fall within the jurisdiction of ROC, Nagpur. It is submitted that no representation regarding the proposed scheme of Arrangement has been received against the Resulting Company. Further, Resulting Company have filed Financial Statements up to 31.03.2025.</i></p> <p><i>The ROC has further submitted that in his report dated 24.04.2026 which are as under :-</i></p> <p><i>1.That the ROC Nagpur in his report dated 24.04.2026 has stated that No Inquiry, Investigations, Inspections, Prosecutions, Technical Scrutiny, Complaints are pending against the Petitioner Companies.</i></p> <p><i>2.Interest of the creditors should be protected.</i></p> <p><i>3.May be decided on its merits.</i></p>	<p>The observation given by the RoC is merely factual in nature and no further response is required. Further, the Petitioner Company hereby undertakes that the Scheme does not envisage any arrangement with creditors of the Petitioner Company and the interest of the creditors are being duly protected under the Scheme.</p>

	<i>Hence, the Petitioner Company shall undertake to submit a detailed reply against observations mentioned above</i>	
2(b)	<i>Resulting Company should undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of transfer of companies.”.</i>	The present Scheme of Arrangement does not envisage merger of any of the Company; hence the question of increase in share capital of the Petitioner Company on account of merger does not arise. Further, the Petitioner Company hereby undertakes to comply with the provisions of the Companies Act, 2013 for any fees payable by the Petitioner Company on an increase in its authorised share capital subsequent to approval of the Scheme. The aggregate authorised share capital of the Petitioner Company shall automatically stand increased to that effect by simply filing the requisite e-form INC-28 with the concerned Registrar of Companies without any further act, instrument or deed on the part of the Petitioner Company.
2(c)	<i>In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the transferee company shall pass such accounting</i>	The Petitioner Company shall pass such accounting entries as necessary in accordance with the applicable Indian accounting

	<i>entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS-5 or IND AS-8 etc.</i>	standards notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, at the time of making the Scheme effective.
2(d)	<i>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.</i>	It is affirmed by way of this affidavit that the Scheme enclosed to the Company Scheme Application and the Company Scheme Petition is one and the same, and there are no discrepancies or changes made.
2(e)	<i>The Petitioner Companies under provisions of section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities shall be binding on the petitioner companies concerned</i>	The Petitioner Company has served notices to the concerned authorities under the provisions of Section 230(5) of the Companies Act, 2013, read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. An affidavit affirming the same has been filed by the Petitioner Company with the Hon'ble Tribunal on 5th March 2026 and has been annexed to the Company Scheme Petition as Exhibit "10", and crave leave to rely upon the same. Further, the approval of this Scheme by the Hon'ble Tribunal may not deter such authorities from dealing with

		any issues arising after giving effect to the Scheme. The Petitioner Company hereby submits that any issues arising out of the Scheme will be dealt with and answered to the respective authorities.
2 (f)	<p><i>As per Definition of the Scheme, “Appointed Date” for the purpose of this Scheme means 31st day of March, 2025 or such other date as may be approved by the National Company Law Tribunal or any other competent authority and acceptable to the Board of Directors of the Demerged and Resulting Company.</i></p> <p><i>“Effective Date” means the last of the dates on which the conditions specified in Clause 19 are complied with. Any references in this Scheme to the date of “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme taking effect” shall mean the Effective Date.</i></p> <p><i>In this regard, it is submitted that Section 232 (6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the</i></p>	<p>The Appointed Date i.e., 31st March 2025, has been indicated in the Scheme in accordance with provisions of section 232(6) of the Companies Act, 2013, and the Scheme shall become effective from the Appointed Date. The Company Scheme Application was filed on 13th November 2025, which is within one year of the Appointed Date. Further, the Petitioner Company hereby submit that they are in compliance with the applicable requirements of the General Circular No. 9/2019 dated 21.08.2019 issued vide F. No. 7/12/2019/CL-I by the Ministry of Corporate Affairs by clearly specifying the Appointed Date and Effective Date in the Scheme. Without prejudice to the above, the Petitioner Company undertake to comply with the requirements clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019</p>

	<p><i>scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.</i></p> <p><i>It is submitted that the Petitioners may be asked to comply with the requirements as clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs</i></p>	<p>issued by the Ministry of Corporate Affairs.</p>
2 (g)	<p><i>Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if so required</i></p>	<p>The Petitioner Company hereby undertakes to comply with the directions of the sectoral regulator, if so required.</p>
2(h)	<p><i>Petitioner Companies shall undertake to comply with the directions of the Income Tax Department & GST Department, if any.</i></p>	<p>The Petitioner Companies hereby undertake to comply with the directions of the Income Tax Department & GST & Stamp Duty, if any.</p>
2(i)	<p><i>Petitioner Companies may satisfy the Hon'ble NCLT that the interest of Creditors & Employees shall be protected on implementation of the scheme.</i></p>	<p>The interests of Creditors & Employees of the Petitioner Company shall be protected upon implementation of the scheme. Further, the Petitioner Company hereby undertakes that the Scheme does not envisage any arrangement with creditors of the Petitioner Company.</p>

2(j)	<i>The Petitioner Company may be directed to undertake that the present scheme is in compliance with Section 2(19AA) of the Income Tax Act, 1961.</i>	The present Scheme has been drawn up to comply with the provisions of Section 2(19AA) of the Income-tax Act, 1961, and hereby undertakes to comply with the provisions of Section 2(19AA) of the Income-tax Act, 1961.
2(k)	<i>The Petitioner Company states that the Transferee Company shall be in compliance with provisions of Section 2(1B) of the Income Tax Act, 1961. In this regard, the petitioner company shall ensure compliance of all the provisions of Income Tax Act and Rules thereunder</i>	The present Scheme is a Composite Scheme of Arrangement involving the demerger of the Demerged Undertaking. Section 2(1B) of the Income Tax Act, 1961 involves amalgamation; hence, Section 2(1B) of the Income Tax Act, 1961 is not applicable in the present Scheme.
2(l)	<i>It is observed that the Resulting Company is a Non-Banking Financial Company (NBFC) engaged in investing and lending activities. Hence therefore, petitioner company may be directed to place on record the notice issued to RBI.</i>	Notice has been served on the RBI on 2nd April 2026, and the same has been annexed as Exhibit 2 to the RD Response Affidavit dated 29 th April 2026.
2(m)	<i>The Demerged Company is registered in the jurisdiction of ROC, Bilaspur, Chhattisgarh State, hence Petitioner Company shall undertake to obtain approval from Hon'ble NCLT, Cuttack Bench</i>	The Petitioner Company hereby undertakes that the Demerged Company is registered in the jurisdiction of the ROC, Bilaspur, Chhattisgarh State; hence, the Scheme has been duly filed with the jurisdictional Hon'ble NCLT,

		Cuttack Bench on 13 th November 2025. The final hearing for the Company Scheme Petition filed before the Hon'ble NCLT, Cuttack Bench by the Demerged Company is scheduled for 6 th May 2026.
2(n)	<p><i>It is submitted that the present proposed scheme of arrangement between Sarda Dairy & Food Products Limited with Chhatisgarh Investments Limited also provides for:-</i></p> <p>4.REORGANISATION OF RESERVES AND REDUCTION OF EQUITY SHARE CAPITAL OF SDPL</p> <p><i>4.1 With effect from the Appointed Date and upon the Scheme becoming effective, existing debit balance of the Profit and Loss Account of SDPL shall be adjusted against the existing credit balance of Securities Premium Account of SDPL.</i></p> <p><i>4.2 Upon giving effect to Clause 4.1 above and upon the Scheme becoming effective, the equity share capital of SDPL shall be cancelled in proportionate to the equity shares held by the shareholders of SDPL. Accordingly, 5,61,04,843 issued, subscribed and paid-up equity</i></p>	<p>The Scheme envisage the reorganisation of reserves and reduction of equity share capital of the Demerged Company (the Non-Petitioner Company); hence the order of the Hon'ble NCLT, Cuttack Bench sanctioning the Scheme shall be deemed to be an order under Section 66 read with Section 52 and other applicable provisions of the Act and no separate sanction under Section 66 and other applicable provisions of the Act will be necessary.</p> <p>Further, the Petitioner Company hereby undertakes to comply with the provisions of section 230 read with section 42 of the Companies Act, 2013 pursuant to effectiveness of the Scheme.</p>

<p><i>shares (having face value of INR 10 each) shall be cancelled against the debit balance remaining in the Profit and Loss Account of SDPL as on the Appointed Date. As a result of this financial restructuring exercise, 5,61,04,843 number of equity shares of SDPL shall stand extinguished and cancelled through capital reduction proportionate to percentage of such equity shares held by the holders of the equity shares as on the Effective Date. The Petitioner Company shall undertake to comply with provisions of section 230 read with section 52 and 66 & 42 (for Petitioner Company No. 2) of the Companies Act, 2013.</i></p>	
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11. The Applicant Company stated that there are no inquiry, investigation or proceedings are pending against the Applicant Companies under the provisions of Chapter XIV of the Companies Act, 2013. Further, the Applicant Company stated that no winding-up petition is pending against the Applicant Companies either under the Companies Act, 2013, or under the Insolvency and Bankruptcy Code, 2016.
12. From the material on record, the Scheme appears to be fair and reasonable and is not in violation of any provisions of law and is not contrary to public policy, considering that no objection has so far been received from any authority, creditors, members, or any other stakeholders.

13. Since all the requisite statutory compliances have been fulfilled, the Company Petition bearing **C.P.(CAA)/29/MB/2026** filed by the Applicant Company is **made absolute** in terms of the prayer clauses of the said Company Scheme Petition.
14. In view of the above, the Composite Scheme of Arrangement is hereby **sanctioned** with the appointed date fixed as **31.03.2025**.
 - 14.1 It shall be binding on the Applicant Companies involved in the Scheme and all concerned, including their respective Shareholders, Secured and Unsecured Creditors / Trade Creditors and Employees.
 - 14.2 The Applicant Company is directed to file a certified copy of this Order, along with a copy of the Scheme of Arrangement, with the concerned Registrar of Companies, electronically, along with e-Form INC-28 in addition to a physical copy, within 30 days from the date of receipt of the order, duly certified by the Designated Registrar of this Tribunal.
 - 14.3 The Applicant Company to submit a certified copy of this Order and the Scheme duly authenticated by the Designated Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the certified copy of the order.
 - 14.4 The Applicant Company shall comply with all the undertakings given by it.
 - 14.5 The Applicant Company shall take all consequential and statutory steps required under the provisions of the Act in pursuance of the Scheme.
15. The Income Tax Department will be at liberty to examine the aspect of any tax payable as a result of this scheme. In case it is found that the scheme ultimately results in tax avoidance under the provisions of the Income-tax Act, 1961, it shall be open to the income tax authorities to take necessary action as possible under the Income Tax Law.
16. All concerned regulatory authorities to act on a copy of this Order duly certified by

the Registry of this Tribunal, along with a copy of the Scheme.

17. Any person interested shall be at liberty to apply to this Tribunal in the above matters for any directions that may be necessary.
18. Accordingly, **C.P.(CAA)/29/MB/2026 c/w CA(CAA)/261/MB/2025** is **allowed** and disposed of. File to be consigned to records.

Sd/-

**ANIL RAJ CHELLAN
MEMBER (TECHNICAL)**

/pvs

Sd/-

**K. R. SAJI KUMAR
MEMBER (JUDICIAL)**