# BHAGYANAGAR INDIA LIMITED

ISO-9001-2008 Certified Company

Surana Group

Registered Office :
Plot No. 9/13/1 & P-9/14, I.D.A. Nacharam,
Hyderabad -500 076. Telangana, India.
Tel. : +91 40 27152861, 27151278
Fax : +91 40 27172140, 27818868
Email : bil@surana.com
Website : www.bhagyanagarindia.com
CIN No. : L27201TG1985PLC012449

Date: 7th September, 2026

BIL/SECT/42/2026-27

| | |
|---|---|
| The Secretary,<br>National Stock Exchange of India Ltd.,<br>Exchange Plaza, C-1, Block G,<br>Bandra Kurla Complex, Bandra (E),<br>Mumbai- 400 051.<br>**Scrip Code: BHAGYANGR** | The Secretary,<br>BSE Limited,<br>Phiroze Jeejeebhoy Towers,<br>Dalal Street,<br>Mumbai- 400 001.<br>**Scrip Code: 512296** |

Dear Sir/Madam,

Sub: Order passed by National Company Law Tribunal, Hyderabad Bench ('NCLT') - Composite Scheme of Arrangement between Bhagyanagar Copper Private Limited (BCPL or Transferor Company) and Bhagyanagar India Limited (BIL or Transferee Company or Demerged Company) and Tieramet Limited (Tieramet or Resulting Company) and their respective Shareholders and Creditors

Ref : Regulation 30 and 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the subject cited and regulations cited above, we would like to inform that the Composite Scheme of Arrangement between Bhagyanagar Copper Private Limited (BCPL or Transferor Company) and Bhagyanagar India Limited (BIL or Transferee Company or Demerged Company) and Tieramet Limited (Tieramet or Resulting Company) and their respective Shareholders and Creditors has been approved by the Hon'Ble National Company Law Tribunal, Hyderabad Bench ('NCLT') vide Order passed today, i.e, 07th September, 2026.

A copy of the Order is attached herewith

This is for your information and records.

Thanking you,

Yours faithfully,
**For Bhagyanagar India Limited**

DEVENDRA SURANA
Digitally signed by DEVENDRA SURANA
Date: 2026.09.07 22:26:06 +05'30'

BHAGYANAGAR INDIA LIMITED

Devendra Surana
Managing Director
DIN:00077296

ANAB ACCREDITED
MANAGEMENT SYSTEMS CERTIFICATION BODY

**S.No.8**

**IN THE NATIONAL COMPANY LAW TRIBUNAL**
**HYDERABAD BENCH – 1**
**VC AND PHYSICAL (HYBRID) MODE**
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
**07-09-2026 After Court-II**

**CP (CAA) No.14/230/HDB/2026**
u/s. 230 of Companies Act

**IN THE MATTER OF:**

M/s. Bhagya Nagar Copper Pvt Ltd., - Transferor Company,
M/s. Bhagyanagar India Ltd., - Transferee / Demerged Company &
M/s. Tieramaet Limited - Resulting Company **…Petitioner/s**

**C O R A M:-**
**SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)**
**SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)**

**O R D E R**

**Orders pronounced. Recorded vide separate sheets.**

**In the result, CP (CAA) No.14/230/HDB/2026 is Allowed.**

**Sd/-** **Sd/-**

**MEMBER (T)** **MEMBER (J)**

*Apoorva*

# NATIONAL COMPANY LAW TRIBUNAL
# HYDERABAD BENCH - 1

CP (CAA) No.14/230/HDB/2026

Connected with

C.A. (CAA) No.5/230/HDB/2026

*U/s. 230 to 232 of the Companies Act, 2013*

IN THE MATTER OF COMPOSITE SCHEME OF ARRANGEMENT BETWEEN

**M/s BHAGYANAGAR COPPER PRIVATE LIMITED**
**(Transferor Company)**

**AND**

**M/s BHAGYANAGAR INDIA LIMITED**
**(Transferee or Demerged Company)**

**AND**

**M/s TIERAMET LIMITED**
**(Resulting Company)**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**M/s BHAGYANAGAR COPPER PRIVATE LIMITED**
Represented by its Director Mr. Devendra Surana
Having Registered Office at
Sy No.98 to 105, 107, 111, 230, 231, 232, 234,
Shabashpally Village – 502 334,
Medak, Shivampet Mandal,
Telangana, India.

**.... Petitioner /**
**Transferor Company**

**M/s BHAGYANAGAR INDIA LIMITED**
Represented by its Managing Director Mr. Devendra Surana
Having Registered Office at
Plot No.P-9/13/1 & P-1/14 IDA,
Nacharam, Hyderabad – 500 076,
Telangana, India.

**.... Petitioner /**
**Transferee or Demerged Company**

**M/s TIERAMET LIMITED**
Represented by its Director Mr. Devendra Surana
Having Registered Office at
Sy No.98-105, 107, 111, 230, 231, 232, 234,
Shabashpally – 502 334,
Medak, Telangana, India.

**.... Petitioner /**
**Resulting Company**

**DATE OF ORDER: 07.09.2026**

**CORAM**

**Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)**

**Shri Sanjay Puri, Hon'ble Member (Technical)**

**Appearance:**

For Petitioner Companies : Mr. Y. Suryanarayana
Mr. R. Ramkrishna
Mr. Sachin Sharma
Ms. D. Rinda Sri Laxmi
Advocates

**PER : BENCH**

**ORDER**

1. This Joint Company Petition has been filed by M/s Bhagyanagar Copper Private Limited (Transferor Company), M/s Bhagyanagar India Limited (Transferee or Demerged Company), M/s Tieramet Limited (Resulting Company) (hereinafter referred to as **"Petitioner Companies"**) under Section 230 to 232 and read with Section 66 of the Companies Act, 2013 and Rule 3 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 praying for the following reliefs:

   (a) To sanction the Composite Scheme of Arrangement between M/s Bhagyanagar Copper Private Limited (Transferor Company) and M/s Bhagyanagar India Limited (Transferee or Demerged Company) and M/s Tieramet Limited (Resulting Company) and their respective Shareholders and Creditors which is annexed to the Petition as **Annexure - 7** with effect from the Appointed Date 01.04.2025 so as to be binding on the Petitioner Companies and on all the members, employees, creditors of the Petitioner Companies.

   (b) The Transferor Company be dissolved without going through the process of winding up.

   (c) The Petitioner Companies do within 30 (thirty) days after the date of receipt of certified copy of the Order of Tribunal, cause a certified copy of the order to be filed with the Registrar of Companies at Hyderabad in Form INC-28 as specified under Section 232(5) of the Companies Act, 2013.

(d) The parties to the Scheme or any other person interested shall be at liberty to apply to this Tribunal for any direction that may be necessary with regard to the carrying out the Scheme.

**AVERMENTS IN BRIEF AS PER THE PETITION: -**

2. **PARTICULARS OF TRANSFEROR COMPANY:**

(A) **M/s Bhagyanagar Copper Private Limited** (hereinafter referred to as "**Transferor Company")** was originally incorporated as a Private Limited Company under the name and style "M/s Aanvik Mercantile Private Limited" under the provisions of Companies Act 1956 on 30.04.2008 with CIN No.U51109MH2008PTC181786 having its Registered Office at Mumbai, Maharashtra. Subsequently, the Registered Office of the Company was shifted from Maharashtra to Telangana upon passing a Special Resolution by members of the Company on 13.03.2018. The Order of the Regional Director (Western Region) dated 28.05.2018 was registered by the Registrar of Companies, Hyderabad on 11.06.2018. Subsequently, the name of the Company was changed from M/s Aanvik Mercantile Private Limited, the then existing name to its present name M/s Bhagyanagar Copper Private Limited by following due procedure laid down under the applicable provisions of the Companies Act, 2013 and Certificate of Incorporation pursuant to change of name was issued by the Registrar of Companies, Hyderabad on 09.01.2019. The present CIN number of the Company is U27100TG2008PTC125034. The Registered Office of the Transferor Company is same as mentioned in the cause title.

(B) The main objects of the Transferor Company are mentioned at Page Nos.3-4 of the Petition. A copy of the Certificate of Incorporation, Fresh Certificate of Incorporation and Memorandum and Articles of Association of the Transferor Company are annexed to the Petition and marked as **Annexure–1.**

(C) The Authorized, Issued, Subscribed and Paid-up Share Capital of the Transferor Company as on 31.12.2025 is as under:

| **Particulars** | **Amount (in Rs.)** |
|---|---|
| **Authorized Share Capital** | |
| 2,00,00,000 Equity Shares of Rs 10 each | 20,00,00,000 |
| 1,00,00,000 Preference Shares of 1% Non-Cumulative Optionally Convertible of Rs 10 each | 10,00,00,000 |
| **Total** | **30,00,00,000** |

| **Issued, Subscribed and Paid-up Share Capital** | |
|---|---|
| 2,00,00,000 Equity Shares of Rs 10 each | 20,00,00,000 |
| 1,00,00,000 Preference Shares of 1% Non-Cumulative Optionally Convertible of Rs 10 each | 10,00,00,000 |
| **Total** | **30,00,00,000** |

There has been no change in the capital structure of the Transferor Company till the date of this Petition.

**The Transferor Company is Wholly Owned Subsidiary of the Transferee or Demerged Company.**

A copy of the Audited Financial Statements as on 31.03.2025 and Provisional Financial Statements as on 31.12.2025 of the Transferor Company are annexed to the Petition and marked as **Annexure–2 & 2A** respectively**.**

3. **PARTICULARS OF THE TRANSFEREE OR DEMERGED COMPANY:**

(A) **M/s Bhagyanagar India Limited** (hereinafter referred to as **"Transferee or Demerged Company"**) is a Public Limited Company originally incorporated under the name and style "M/s Bhagyanagar Metals Limited" in Maharashtra under the provisions of the Companies Act, 1956 on 02.09.1985 vide Registration No.01-12449. The Company obtained Certificate of commencement of business on 09.09.1985 having its Registered Office in Mumbai, Maharashtra. Subsequently, the

Registered Office of the Company was shifted from the state of Maharashtra to the state of Andhra Pradesh (presently Telangana) upon confirmation by an Order of Company Law Board, Western Region Bench, dated 04.10.1990 and the said Order was registered by the Registrar of Companies, Hyderabad on 12.03.1991. Subsequently, the name of the Company was changed from M/s Bhagyanagar Metals Limited, the then existing name to its present name, "M/s Bhagyanagar India Limited" by following due procedure laid down under the applicable provisions of the Companies Act, 1956 and a Fresh Certificate of Incorporation consequent upon change of name was issued by the Registrar of Companies, Hyderabad on 10.08.2006. The present CIN number of the Company is L27201TG1985PLC012449. The Registered Office of the Transferee or Demerged Company is same as mentioned in the cause title.

(B) The main objects of the Transferee or Demerged Company are mentioned at Page Nos.5-10 of the Petition. A copy of the Certificate of Incorporation, Fresh Certificate of Incorporation, Memorandum and Articles of Association of the Transferee or Demerged Company are annexed to the Petition and marked as **Annexure-3**.

(C) The Authorized, Issued, Subscribed and Paid-up Share Capital of the Transferee or Demerged Company as on 31.12.2025 is as under:

| Particulars | Amount (in Rs.) |
|---|---|
| **Authorized Share Capital** | |
| 12,50,00,000 Equity Shares of Rs 2 each | 25,00,00,000 |
| **Total** | **25,00,00,000** |
| **Issued, Subscribed and Paid-up Share Capital** | |
| 3,19,95,000 Equity Shares of Rs 2 each | 6,39,90,000 |
| **Total** | **6,39,90,000** |

There has been no change in the capital structure of the Transferee or Demerged Company till the date of this Petition.

**The Transferee or Demerged Company's Equity Shares are listed and traded on the BSE Limited bearing ISIN:INE458B01036 and Scrip Code: 512296 and on the NSE bearing Symbol: BHAGYANGR.**

A copy of the Audited Financial Statement as on 31.03.2025 and Provisional Financial Statement as on 31.12.2025 of the Transferee or Demerged Company are annexed to the Petition and marked as **Annexure–4 & 4A** respectively**.**

4. **PARTICULARS OF THE RESULTING COMPANY:**

(A) **M/s Tieramet Limited** (hereinafter referred to as **"Resulting Company"**) is a Public Limited Company incorporated in the State of Telangana on 29.08.2025 with CIN number U24201TS2025PLC203148 under the provisions of the Companies Act, 2013. The Registered Office of the Resulting Company is same as mentioned in the cause title.

(B) The main objects of the Resulting Company are mentioned at Page Nos.11-12 of the Petition. A copy of the Certificate of Incorporation, Memorandum and Articles of Association of the Resulting Company are annexed to the Petition and marked as **Annexure-5**.

(C) The Authorized, Issued, Subscribed and Paid-up Share Capital of the Resulting Company as on 31.12.2025 is as under:

| **Particulars** | **Amount (in Rs.)** |
|---|---|
| **Authorized Share Capital** | |
| 50,000 Equity Shares of Rs 2 each | 1,00,000 |
| **Total** | **1,00,000** |
| **Issued, Subscribed and Paid-up Share Capital** | |
| 50,000 Equity Shares of Rs 2 each | 1,00,000 |
| **Total** | **1,00,000** |

There has been no change in the capital structure of the Resulting Company till the date of this Petition.

**The Transferor and the Resulting Companies are Wholly-Owned Subsidiaries of the Transferee or Demerged Company.**

A copy of the Provisional Financial Statements of the Resulting Company as on 31.12.2025 are annexed to the Petition and marked as **Annexure–6.**

5. **<u>RATIONALE BEHIND THE COMPOSITE SCHEME OF ARRANGEMENT:</u>**

(a) To reorganize the corporate structure by way of Amalgamation of a closely held entity having huge business potential into a widely held listed entity and further by way of having off the business undertaking through Demerger into a separate entity comprising of same Shareholders as that of the listed entity.

(b) To unlock the value in business for Shareholders by attracting distinct strategic and financial investors making it easier to access growth capital for the respective companies and providing investors with the flexibility to invest in relevant business according to their strategies and risk profiles.

(c) To augment funds infusion options in view of availability of wider base of investors and market determined price for securities in case of listed entities.

(d) To create a new age entity focussing on Extended Producers Responsibility (EPR), Environmental, Social and Governance (ESG) and other globally accepted norms and standards in view of significant global demand for copper which is on an increasing trend by the day.

(e) To streamline the corporate structure resulting in greater operational efficiency and implementing smoother and effective controls and processes.

(f) For better administrative efficiency, enhanced managerial and board focus, costs rationalization and achieving business integration and economies of scale.

Further, the nature of risk and competition involved in each of these businesses are distinct and consequently nature of considerations, factors and commercial parameters applicable to the business of power generation are also different and divergent in nature in comparison to that of copper business. With an endeavor to enhance Shareholders value and insulate both the businesses from the risks of each other, it is proposed to reorganize and segregate by way of Demerger.

6. **SCOPE OF THE SCHEME:**

The Composite Scheme of Arrangement provides for the Demerger of the identified business Undertaking of the Transferee or Demerged Company into the Resulting Company. It also provides for listing of Equity Shares of Resulting Company on the Stock Exchanges. This Scheme of Arrangement also provides for various other matters consequential, supplemental and / or otherwise integrally connected therewith.

The events contemplated under the Scheme are as under:

a) Amalgamation of M/s Bhagyanagar Copper Private Limited (Transferor Company) with M/s Bhagyanagar India Limited (Transferee or Demerged Company) on a going concern basis and consequent dissolution of the Transferor Company without winding up.

b) Upon the Amalgamation as set out in Clause 3.1.a of the Scheme, Demerger of the Demerged Undertaking of M/s Bhagyanagar India Limited (Transferee or Demerged Company) and vesting of the same with and into M/s Tieramet Limited (Resulting Company) on a going concern basis.

c) Consequent issue of 3,19,95,000 Equity Shares of Rs 2 each by the Resulting Company to the Shareholders of the Transferee or Demerged Company as a consideration pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013. All the Shareholders of the Transferee or Demerged Company as on the Record Date shall become the Shareholders of the Resulting Company by virtue of Demerger pursuant to this Scheme.

d) The Equity Shares to be issued by the Resulting Company to the Shareholders of the Transferee or Demerged Company shall be listed on NSE and BSE in accordance with Listing Regulations and other regulations as prescribed by SEBI, NSE, BSE or any other regulatory or statutory authority.

The above stated events, as detailed in this Scheme, though mentioned in a sequential manner, shall neither be implemented nor be inferred to be effective in isolation or in parts. This Scheme, as a whole, shall be deemed to have been consummated and operative from the Effective Date only.

Further, as an integral part of this Scheme, the Authorized Capital of the Resulting Company shall be increased without any further approvals from the Board or its Shareholders.

Further, the Scheme shall be in compliance with the applicable SEBI (ICDR) Regulations including Listing Regulations, SCRR and Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93, dated 20.06.2023 any subsequent amendments thereof.

7. **ISSUE OF SHARES CONSEQUENT TO COMPOSITE SCHEME OF ARRANGEMENT:**

(a) The entire Issued, Subscribed and Paid-up Share Capital of the Transferor Company is held by the Transferee or Demerged Company. Upon approval of this Scheme by the Tribunal, no Shares of the Transferee or Demerged Company shall be issued or allotted in lieu of its holding in the Transferor Company and the Paid-up Share Capital (comprising of Equity as well as Preference) of the Transferor Company shall stand cancelled and extinguished. The investments in the Share Capital (comprising of Equity as well as Preference) of the Transferor Company appearing in the Books of Account of Transferee or Demerged Company shall without any further act or deed, stand cancelled.

(b) In consideration of transferor and vesting of the Demerged Undertaking of the Transferee or Demerged Company into the Resulting Company in terms of provisions of this Scheme, the Resulting Company shall, without any further Petition or deed, issue and allot Equity Shares to the members of the Transferee or Demerged Company whose names appear in the Register of members as on Record Date, in the following ratio:

***"1 (one) Equity Share of Face Value of Rs 2 (Rupees Two only) each Fully Paid-up of the Resulting Company shall be issued and allotted by the Resulting Company for every***

***1(one) Fully Paid-up Equity Share of the Face Value of Rs 2 (Rupees Two only) each held in the Transferee or Demerged Company."***

8. **ACCOUNTING TREATMENT:**

The accounting treatment proposed at Clause 14 and 24 of the Scheme is in conformity with the accounting standards as prescribed under the provisions of Section 133 of the Companies Act, 2013.

The copies of the Certificates issued by the Chartered Accounts confirming the Accounting Treatment proposed in the Scheme in respect of Transferee or Demerged Company, Transferor Company and Resulting Company are annexed to the Petition and marked as **Annexure–8, Annexure–9 and Annexure-10** respectively**.**

9. **CONSENT OF THE BOARD OF DIRECTORS OF THE PETITIONER COMPANIES**:

The Boards of Directors of the Petitioner Companies in their respective meetings held on 20.09.2025 have resolved to amalgamate M/s Bhagyanagar Copper Private Limited (Transferor Company) with M/s Bhagyanagar India Limited (Transferee or Demerged Company) and the demerger of the identified business undertaking of M/s Bhagyanagar India Limited and vesting of the same with and into M/s Tieramet Limited (Resulting Company) on a going concern basis.

The copies of the Board Resolutions of the Transferor Company, Transferee or Demerged Company and Resulting Company are annexed to the Petition and marked as **Annexure–11, Annexure–12** and **Annexure–13** respectively**.**

10. **OVERVIEW OF THE SCHEME:**

The Amalgamation of Transferor Company into and with the Transferee or Demerged Company as detailed under Part B of this Scheme is in compliance of Section 2(1B), Section 47 and other relevant provisions of the IT Act, 1961 such that:

(i) All the properties of Transferor Company, immediately before the Amalgamation, become the properties of Transferee or Demerged Company by virtue of Amalgamation.

(ii) All the liabilities of Transferor Company, immediately before the Amalgamation, become the liabilities of Transferee or Demerged Company by virtue of Amalgamation.

The Demerger of the Identified Business Undertaking from the Transferee or Demerged Company and its transfer and vesting with and into Resulting Company as detailed under Part-C of this Scheme has been drawn under Section 230-232 of the Act, read with Section 66 thereof, to comply with the conditions relating to "Demerger" as specified under the tax laws, including Section

2(19AA), Section 47 of the Income Tax Act, 1961 and other relevant sections and provisions of the IT Act, 1961 such that:

(i) All the property of the Demerged Undertaking, being transferred by Transferee or Demerged Company, immediately before the Demerger, shall become the property of the Resulting Company, by virtue of Demerger.

(ii) All the liabilities relatable to the Demerged Undertaking, being transferred by Transferee or Demerged Company, immediately before the Demerger, shall become the liabilities of the Resulting Company, by virtue of Demerger.

(iii) The Resulting Company shall issue, in consideration of the Demerger, its Shares to the Shareholders of the Transferee or Demerged Company on a proportionate basis, except where the Resulting Company itself is a Shareholder of the Transferee or Demerged Company, if applicable.

(iv) The Shareholders holding Shares in the Transferee or Demerged Company shall become the Shareholders of the Resulting Company by virtue of the Demerger.

(v) The Transfer of the Demerged Undertaking to the Resulting Company shall be on a going concern basis.

11. **OBSERVATION LETTER RECEIVED FROM STOCK EXCHANGES:**

The Shares of the Transferee or Demerged Company are listed on BSE Limited and NSE Limited. No adverse Observations / No Objection have been provided in the observation letters received from BSE Limited and NSE Limited with respect to the Scheme of Arrangement.

A copy of the observation letters received from BSE and NSE are annexed to the Petition and marked as **Annexure – 14 and Annexure – 15** respectively.

12. **DECLARATION BY THE PETITIONER COMPANIES:**

(a) No Petition under Section 241 or 242 read with Section 66 of the Companies Act, 2013 has been filed against any of the Petitioner Companies and there has been no material change in the affairs of any of the Petitioner Companies except for what was done in the normal course of business.

(b) There are no proceedings pending under Section 210 to 227 of Companies Act, 2013 against any of the Petitioner Companies.

(c) There are no ongoing adjudication and recovery proceedings, prosecution initiated or enforcement action taken against the Transferor Company, Transferee or Demerged Company and the Resulting Company, promotors / Directors of any of the said Companies.

(d) There are no outstanding demands / dues payable by any of the Petitioner Companies to the Income Tax Department.

(e) The proposed Composite Scheme of Arrangement shall not have any adverse effect on any of the Shareholders or Creditors or other Stakeholders of the Petitioner Companies in any manner whatsoever.

13. The Petitioner Companies have filed the First Motion Application bearing C.A.(CAA) No.5/230/HDB/2026. This Tribunal vide order dated 29.01.2026 dispensed with the requirement of holding the meetings of the Equity Shareholders, Non-Cumulative Optionally Convertible Preference Shareholder, Secured Creditors and Unsecured Creditors of the Transferor Company. Similarly, this Tribunal also dispensed with the requirement of holding the meetings of the Secured Creditors, Unsecured Creditors and Trade Creditors of the Transferee or Demerged Company as well as the meeting of the Equity Shareholders of the Resulting Company as all of them had accorded their consent to the Composite Scheme of Arrangement.

14. This Tribunal directed that a meeting of the Trade Creditors of the Transferor Company be convened and held on 14.03.2026 at 12:00 PM at 5$^{th}$ Floor, Surya Towers, Sardar Patel Road, Secunderabad. Further, Ms. G. Sumathi and Mr. Venka Reddy Bathina were

appointed as Chairperson and Scrutinizer respectively for the said meeting.

15. This Tribunal further directed that a meeting of the Equity Shareholders of the Transferee or Demerged Company be convened and held on 14.03.2026 at 01:00 PM at 5$^{th}$ Floor, Surya Towers, Sardar Patel Road, Secunderabad by virtual mode. Further, Ms. Siva Praneetha Sreeramula and Mr. Vinay Babu Gade were appointed as Chairperson and Scrutinizer respectively for the said meeting. A copy of the order dated 29.01.2026 passed by this Tribunal is annexed to the Petition and marked as **Annexure - 16**.

16. Pursuant to the directions of this Tribunal's Order dated 29.01.2026, the meeting of the Trade Creditors of the Transferor Company was convened on 14.03.2026. Thereafter, the Chairperson filed a Report dated 19.03.2026 reporting the outcome of the said meeting. As per the report of the Chairperson, 28 (Twenty Eight) Trade Creditors attended the meeting, either in person and / or through proxy representing an aggregate outstanding debt of Rs 5,04,06,833 as on 30.11.2025 which represents 4.11% of the total value of outstanding Trade Creditors of the Transferor Company. The quorum prescribed by this Tribunal for the meeting of the Trade Creditors is 5. All 28 Trade Creditors present at the meeting approved the Composite Scheme of Arrangement unanimously without any modification. A copy of

the Chairperson's report annexed to the Petition and marked as **Annexure - 19.**

17. Similarly, pursuant to the directions of this Tribunal's Order dated 29.01.2026, the meeting of the Equity Shareholders of Transferee or Demerged Company was convened on 14.03.2026. Thereafter, the Chairperson filed a Report dated 20.03.2026 reporting the outcome of the said meeting. As per the report of the Chairperson, out of 97 (Ninety Seven) total Equity Shareholders, 96 Equity Shareholders exercised their voting rights through remote e-voting and one Equity Shareholder exercised voting right through e-voting during the meeting approving the Composite Scheme of Arrangement unanimously without any modification. A copy of the Chairperson's report annexed to the Petition and marked as **Annexure - 20.**

18. Subsequently, as per directions of this Tribunal dated 07.04.2026, notices were issued to all statutory authorities. In compliance with the directions of this Tribunal, publication was carried out in the English daily *Financial Express* and the Telugu daily *Nava Telangana* on 22.04.2026. Proof of Publication and Proof of Service of notice of hearing have been filed by way of an Affidavit dated 03.06.2026.

## OBSERVATIONS BY INCOME TAX DEPARTMENT:

19. The Joint Commissioner of Income Tax (OSD) (TDS), Circle–1(1), Hyderabad, vide his Affidavit dated 02.03.2026 has made certain observations. The Petitioner Companies have filed reply Affidavit dated 04.08.2026 in response to the observations made by the Income Tax Department. The details are given below:

| Para No. | Income Tax Department Observations Dated 02.03.2026 | Petitioner Companies Reply Affidavit Dated 04.08.2026 |
|---|---|---|
| 3.1 & 3.2 | As per the available records, there is an outstanding demand of Rs 42,490 in the case of M/s Bhagyanagar Copper Private Limited (Transferor Company). | It is submitted that the said amount has been duly remitted. The details of remittance are annexed to the Affidavit dated 04.08.2026 as **Annexure – I.** |
| 3.3 | In case of any adverse finding or tax implication arising in future, the Transferor Company shall be liable for the same as per GAAR provisions / Income Tax Act, 1961. | It is submitted that in the event of any adverse finding is returned or any tax implication arises in future in connection with the transaction in question, the Transferee and Resulting Companies shall be liable to meet such liability in accordance with the provisions of the GAAR provisions / Income Tax Act, 1961 or such other applicable provisions of the said Act as may be attracted in the facts and circumstances of the case. |

20. The Assistant Commissioner of Income Tax, Central Circle–1(4), Hyderabad, vide his Affidavit dated 02.03.2026 has made certain observations. The Petitioner Companies have filed reply Affidavit dated 04.08.2026, in response to the observations made by the Income Tax Department. The details are given below:

| Para No. | Income Tax Department Observations Dated 02.03.2026 | Petitioner Companies Reply Affidavit Dated 04.08.2026 |
|---|---|---|
| 3.1 | As per the available records, there is a total outstanding demand of Rs 7,59,850 in case of M/s Bhagyanagar Copper Private Limited (Transferor Company) for the Assessment Year 2024-25. | It is submitted that a demand for Rs 7,59,850 was made in respect of Assessment Year 2024-25. However, the same stands adjusted against the refunds due to the Company. |
| 3.2 | As per available records, M/s Bhagyanagar Copper Private Limited (Transferor Company) had filed its last Return of Income for the Assessment Year 2025-26 on 27.12.2025 under Section 139(5) admitting total income of Rs 15,13,14,870. | It is submitted that the same is a fact on record and hence need not be traversed. |
| 3.3 | An Appeal filed by the Income Tax Department against M/s Bhagyanagar Copper Private Limited (Transferor Company) for AY 2021-22 is pending before the Hon'ble Income Tax Appellate Tribunal. | It is submitted that the Appeal referred to therein has been filed by the Income Tax Department before the CIT (Appeal)-12, Hyderabad and is directed against the Order passed by the Commissioner of Income Tax (Appeals), Range-12, whereby the demand raised by the Income Tax Officer, Ward-1(1), Mumbai was quashed. |
| 3.4 | Since, there are pending demands as mentioned above, in the interest of revenue, the Income Tax Department is filing report / objection against the proposed Scheme of Amalgamation unless the interest of revenue is protected in recovery of demand along with interest and penalties, as applicable, from M/s Bhagyanagar Copper Private Limited and also that in the event this Tribunal proposes to approve the Scheme of Amalgamation, this Tribunal may pass Orders that the Resultant Company shall be | It is submitted that the present Scheme has been carefully structured in compliance with all statutory requirements including the Income Tax Act, 1961 and with a clear intent to protect the interest of the Revenue Department and the Petitioner Companies reiterate their readiness to abide by all statutory obligations without exception. Further, the Petitioner Companies submit that the terms of the Scheme clearly provide that all existing and future liabilities, including statutory dues under the Income Tax Act, 1961 shall stand transferred to and be discharged by the Transferee and Resulting Companies. As such, the interests of the Revenue Department stand adequately protected and no prejudice would be caused to the Department by the sanction of the |

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| | liable to pay and honour all dues in respect of the Transferor Company. | Scheme. Further, the Petitioner Companies respectfully submit that they have always been compliant with their tax filing and reporting requirements and undertake to honour any assessments or dues that may arise in future, in accordance with law. |
| 3.5 | In case of any adverse finding or tax implication arising in future, the Transferee or Demerged Company shall be liable for the same as per GAAR provisions / Income Tax Act, 1961. | It is submitted that in the event of any adverse finding is returned or any tax implication arises in future in connection with the transaction in question, the Transferee Company shall be liable to meet such liability in accordance with the provisions of the GAAR provisions / Income Tax Act, 1961 or such other applicable provisions of the said Act as may be attracted in the facts and circumstances of the case. |

21. From the above reports of Income Tax Department and the reply submitted by the Petitioner Companies, it is seen that there are no tenable objections raised and that the queries posed to the Petitioner Companies were also answered. Hence, the directions as sought for by the Income Tax Department would stand complied by the Petitioner Companies.

**OBSERVATIONS BY REGIONAL DIRECTOR (SER):**

22. The Regional Director (SER) vide report dated 10.06.2026 has made certain observations. The Petitioner Companies have filed reply Affidavit dated 24.06.2026, in response to the observations made by the Regional Director (SER). The Regional Director (SER) vide report dated 02.07.2026 has submitted further observations in response to the Affidavit of Petitioner Companies dated 24.07.2026. The details are given below:

| Para No. | Regional Director (SER)'s Observations Dated 10.06.2026 | Petitioner Companies Reply Affidavit Dated 24.06.2026 | Regional Director (SER)'s further Observations Dated 02.07.2026 |
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| 3(b) | As per Clause-5.4 of Part-A of the Scheme, the Appointed Date is 01.04.2025. The Transferor and Transferee / Demerged Companies have filed its statutory returns upto 31.03.2024. No details about Resulting Company are available as per Master Data. | It is submitted that the Transferor and Transferee or Demerged Companies have filed their statutory returns with MCA upto 31.03.2025. Further, Resulting Company was incorporated on 29.08.2025; hence the requirement to file the statutory return has not arisen till date. | The reply of the Petitioner Companies may be considered by this Tribunal. |
| 3(d) | This Tribunal may direct the Petitioner Companies to ensure statutory compliance of all applicable laws and on sanctioning of the present Scheme, the Petitioner Companies shall not absolve any of its statutory liabilities in any manner. | It is submitted that the Petitioner Companies undertake to comply with the statutory compliance of all applicable laws and also undertake that the sanctioning of the Scheme shall not absolve any statutory liability in any manner of the Petitioner Companies. | The Petitioner Companies have undertaken to comply with the same. |
| 4 | With reference to the RD(SDR)'s letter dated 10.04.2026, issued to the Addl. Commissioner of Income Tax, Hyderabad and this office has received e-mail dated 20.04.2026 forwarding the letter of the Directorate of Income Tax Department, Chennai advising them to offer their comments / objections on the present Scheme. In this regard, it is submitted that this office has not received any further communication from the Income Tax Department, Chennai. In view of the above, this Tribunal may obtain | It is submitted that the said matter pertains to Order passed by Principal Commissioner of Income Tax-I, Hyderabad seeking transfer of file of M/s Bhagyanagar India Limited from the jurisdiction of Hyderabad to the jurisdiction of Chennai. Challenging the said Order, the Company filed a Writ before the Hon'ble High Court, Telangana. The Hon'ble High Court, vide its Order dated 09.06.2026, set aside the impugned Order(s) | |

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| | comments / objections before the Scheme is allowed.<br><br>Further, the Transferee or Demerged Company and Resulting Companies may be directed to furnish an undertaking stating that the dues payable by the Transferor Company and dues with regard to the Resulting Company shall be paid by the Transferee or Demerged Company and Resulting Company respectively. | which sought transfer of file from DCIT, Circle-1(1), Hyderabad to Central Circle, Chennai u/s 127 of the Income Tax Act (certified copy of the Order annexed to this Affidavit dated 24.06.2026 and marked as **Annexure-I).** Consequent upon the said Order, this Tribunal may seek the report from the appropriate office. Further, we undertake that the dues payable by the Transferor Company and dues with regard to the Resulting Company shall be paid by the Transferee or Demerged Company and Resulting Companies respectively. | |
| 5(d) | As per Clause-16 of the Scheme, all staff, workmen and employees of the Transferor Company shall be deemed to have become the employees of the Transferee or Demerged Company. In this regard, the Transferee or Demnerged Company may be directed to furnish an undertaking before this Tribunal stating that the interests of these transferred employees shall be protected by the Transferee or Demerged Company. | It is submitted that as per Clause-16 of the Scheme, the Transferee or Demerged Company undertakes that all staff, workmen and employees of the Transferor Company shall be deemed to have become the employees of the Transferee or Demerged Company. | The Petitioner Companies have undertaken to comply with the same. |
| 5(f) | As per Clause-17.4 of the Scheme, it is mentioned that the Authorized Share Capital of the Transferor Company shall be increased or reduced may be sub-divided, consolidated or divided into such classes of Shares as may be allowed. In this regard, the Transferee or Demerged Company may be | It is submitted that as per Clause-17.4 of the Scheme, the Transferee or Demerged Company undertakes to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 and pay the differential fee after setting of the fee already | The Petitioner Companies have undertaken to comply with the same. |

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| | directed to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 and pay the differential fee after setting of the fee already paid by the Transferor Company, if required. In this regard, the Transferee or Demerged Company may be directed to furnish an undertaking before this Tribunal. | paid by the Transferor Company, if required. | |
| 5(g) | As seen from the post Demerger Shareholding pattern of the Resulting Company, the Resulting Company shall hold 29.44% of the public Shareholding. | It is confirmed that post Demerger, in the Resulting Company, public Shareholding shall be same as in the case of Transferee or Demerged Company till the Shares are listed / traded on the Stock Exchanges. | The reply of the Petitioner Companies may be considered by this Tribunal on merits. |
| 5(h) | In Clause-23 of the Scheme, the share exchange ratio for the Demerger of Demerged Undertaking was mentioned. The Company may be directed to state whether reclassification of Shares is done in respect of Resulting Company also. Further, as per the Scheme, the Resulting Company is a wholly owned subsidiary of Transferee or Demerged Company. Hence, the Company may be directed to explain about the allotment of Shares to the Transferee or Demerged Company considering the fact that there is no requirement of issue and allotment of Shares in respect of holding and subsidiary Companies. | It is confirmed that the share exchange ratio between the Resulting Company and the Transferee or Demerged Company as stated in the report is a statement of fact and in consonance with the Scheme of Arrangement and hence no further comments are made. Further, it is confirmed that no reclassification of shares shall be required to be done in the Resulting Company, since the Face Value of Shares i.e. Rs.2 per Share is same as in the case of Transferee or Demerged Company. Further, it is a factual statement that the Resulting Company is a wholly owned subsidiary of the Transferee or Demerged Company, however, upon Demerger of the Demerged Undertaking of the Transferee or Demerged | The reply of the Petitioner Companies may be considered by this Tribunal on merits. |

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| | | Company, the Resulting Company shall issue Shares to the Shareholders of the Transferee or Demerged Company, in the exchange ratio as contemplated in the Scheme of Arrangement. | |
| 5(i) | As per Clause-28 of the Scheme it is stated that all the staff, workmen and employees of the Demerged Undertaking of the Transferee or Demerged Company shall become the employees of the Resulting Company. In this regard, the Resulting Company may be directed to furnish an undertaking before this Tribunal stating that the interests of these transferred employees shall be protected by the Resulting Company. | It is submitted that as per Clause-28 of the Scheme, the Resulting Company undertakes that all staff, workmen and employees of the Demerged Undertaking of the Transferee or Demerged Company shall be deemed to have become the employees of the Resulting Company and interests of these transferred employees shall be protected by the Resulting Company. | The Petitioner Companies have undertaken to comply with the same. |
| 5(k) | As per Clause-33.1 of the Scheme, the Resulting Company shall apply for listing and trading permissions for the Equity Shares on the Stock Exchanges and comply with Securities Contracts (Regulation) Act, 1956 and SEBI (ICDR) Regulations including SEBI (LODR) Regulations and all other applicable provisions. In this regard, the Resulting Company may be directed to furnish an undertaking before this Tribunal stating that the interests of the public Shareholders shall be protected and may be directed to specify the time limit within which the steps will be taken for listing and trading of the Shares of public upon sanction of the Scheme. | It is confirmed that as per Clause-33.1 of the Scheme, the Resulting Company shall apply for listing and trading permissions for the Equity Shares on the Stock Exchanges and comply with Securities Contracts (Regulation) Act, 1956 and SEBI (ICDR) Regulations including SEBI (LODR) Regulations and all other applicable provisions. Further, the Resulting Company undertakes that it will take steps for listing and trading of specified securities within sixty days of receipt of the Order of the Hon'ble High Court / NCLT and further interests of the public Shareholders shall be protected. | The reply of the Petitioner Companies may be considered by this Tribunal on merits. |

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| 5(l) | The Petitioner Companies have obtained NOC from BSE and NSE vide letters dated 22.12.2025 and 23.12.2025. In this regard, the Petitioner companies may be directed to comply with the conditions laid down, if any, in the said approval letters. | It is submitted that the Petitioner Companies shall comply with the conditions laid down in "No Adverse Observation letters" received from the BSE and NSE vide letters dated 22.12.2025 and 23.12.2025 respectively. | The reply of the Petitioner Companies may be considered by this Tribunal on merits. |
| 5(m) | As seen from the Balane Sheet of the Transferor Company as at 31.03.2025, an amount of Rs 6,622.17 lakhs and Rs 10,335.12 lakhs disputed statutory dues payable towards Income Tax and GST. In this regard, the Transferee or Demerged Company shall furnish an undertaking stating that the said dues will be settled by the Transferee or Demerged Company as and when demand is made by the said statutory authorities. | It is submitted and undertaken that the disputed statutory dues of Rs 6,622.17 lakhs got originated by the Asst order passed by ITO, Ward-1(1), Mumbai on 30.12.2022 u/s 143(3) of the Income Tax Act. The order was challenged before the CIT(Appeal)-12, Hyderabad who quashed the demand vide its Order dated 10.11.2025 in totality. The Income Tax Department has gone for appeal to the ITAT against the Order of the CIT. It is undertaken that any amount payable on final crystallization of the liability upon exhaustion of all legal recourse shall be paid by the Resulting Company.<br><br>In so far as the contingent liability of Rs 10,335.12 lakhs towards GST is concerned, it is submitted that the matter is pending with the GST Tribunal and it is under taken that any amount payable on final crystallization of the liability upon exhaustion of all legal recourse shall be paid by the Resulting Company. | The reply of the Petitioner Companies may be considered by this Tribunal on merits. |

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| 5(n) | As seen from the Balance Sheet of the Transferor Company as at 31.03.2025, an amount of Rs 17.16 lakhs is payable towards MSME. The Transferee or Demerged Company may be directed to furnish an undertaking stating that the dues will be settled by the Transferee or Demerged Company if not settled by the Transferor Company so far. | It is submitted and undertaken that an amount of Rs 17.16 lakhs payable towards MSME vendors as on 31.03.2025 by Transferor Company has been paid within the stipulated time as reported in the tax audit report of the Transferor Company for the FY 2024-25. | The reply of the Petitioner Companies may be considered by this Tribunal on merits. |
| 5(o) | The Transferee or Demerged Company has related party transactions during the last two years. In this regard, the Transferee or Demerged Company may be directed to show the compliance of the provisions of Sections 185 / 186 & 188 of the Companies Act, 2013 and also be directed to furnish an undertaking before this Tribunal in this regard. | It is submitted and undertaken that the Transferee or Demerged Company has compiled with the provisions of Sections 185 / 186 & 188 of the Companies Act, 2013. Copies of resolutions passed by the Board of Directors / members and copies of form AOC-2 are annexed to this Affidavit dated 24.06.2026 and marked as **Annexure-II.** | The Petitioner Companies have undertaken to comply with the same. |
| 5(p) | As seen from the Balance Sheet of the Transferee or Demerged Company as at 31.03.2025, there are certain disputed statutory dues payable towards Income Tax and Central Excise Departments. In this regard, the Transferee or Demerged Company may be directed to furnish an undertaking stating that the dues shall be settled by the Transferee or Demerged Company. | It is submitted and undertaken that disputed statutory dues payable towards Income Tax and Central Excise Departments will be settled by the Resulting Company in so far as it pertains to the Demerged Undertaking, in accordance with the provisions of law. | The Petitioner Companies have undertaken to comply with the same. |
| 5(q) | Through the present Scheme of Arrangement, the copper business of the Transferee or Demerged Company is being transferred to the Resulting Company. In this regard, the Transferee or Demerged | It is submitted that details of assets and liabilities that are being transferred to Resulting Company and details of assets and liabilities that are remaining with the Transferee or | The reply of the Petitioner Companies may be considered by this Tribunal on merits. |

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| | Company may be directed to furnish the details of assets and liabilities that are being transferred to the Resulting Company and the details of assets and liabilities that are remaining with the Transferee or Demerged Company as on the Appointed Date. | Demerged Company as on the Appointed Date are annexed to this Affidavit dated 24.06.2026 and marked as **Annexure-III.** | |
| 5(r) | Upon approval of the Scheme, both Transferee or Demerged Company and Resulting Company shall hold the status of public limited Companies having listed their Shares in the Stock Exchanges, the Transferee or Demerged Company and Resulting Company shall comply with SEBI / RBI Regulations. The Petitioner Companies may be directed to furnish an undertaking in this regard. | It is submitted and undertaken by the Transferee or Demerged Company and the Resulting Company that both the said Companies shall hold the status of Public Limited Companies having their Shares listed on the BSE and NSE and shall comply with applicable regulations of SEBI / RBI. | The Petitioner Companies have undertaken to comply with the same. |
| 5(t) | The Transferor Company has shown an amount of Rs 154.65 lakhs under the head Contingent Liabilities payable to TSSPDCL and it is stated that the demand is being contested and has been stayed by the Hon'ble High Court of Telangana. In this regard, the Petitioner Companies may be directed to state the present status of the case. In case the matter is still pending, the Transferee or Demerged Company shall furnish an undertaking stating that as and when the dues are crystalized subject to the outcome of the case, the same shall be paid by the Transferee or Demerged Company. | It is submitted and undertaken that currently the matter is sub-judice and is pending for final disposal by the Hon'ble High Court of Telangana. It is further undertaken that the Resulting Company shall pay the dues as and when the dues are crystalized subject to the outcome of the case. | The reply of the Petitioner Companies may be considered by this Tribunal on merits. |

23. The Petitioner Companies have submitted an Affidavit dated 03.08.2026 intimating this Tribunal regarding the increase in the Subscribed and Paid-up Share Capital of M/s Bhagyanagar India Limited by way of a preferential issue of its Equity Shares. The RD(SER) has filed Affidavit dated 18.08.2026 making certain observations against the Petitioner Companies Affidavit. The Petitioner Companies vide reply Affidavit dated 19.08.2026 has submitted clarifications for the observations made by RD(SER). The details are given below:

<table>
<tr><th>Para No.</th><th>Petitioner Companies Affidavit<br>Dated 03.08.2026</th><th>RD(SER)'s Observations Dated 18.08.2026</th><th>Petitioner Companies Clarification Dated 19.08.2026</th></tr>
<tr><td>2</td><td>The Board of Directors of Transferee or Demerged Company, subsequent to the filing of the joint Company Petition praying for sanction of the Scheme, has resolved to increase the Subscribed and Paid-up Share Capital of Transferee or Demerged Company by way of a preferential issue of its Equity Shares.</td><td rowspan="2">The Petitioner Companies have not specified the reasons for such increase after filing Joint Petition and instead of not making it part of the Scheme. The Petitioner Companies may be directed to put all relevant facts in this regard before this Tribunal.</td><td rowspan="2">It is submitted that the proposed preferential issue has been undertaken by the Transferee or Demerged Company for the purpose of meeting the working capital requirements and general corporate purposes of Transferor Company, a wholly owned subsidiary of the Company and is intended to support the Company's business and financial requirements. The same has been detailed in the explanatory statement to the Notice convening an Extra Ordinary General Meeting of the members of the Company (held on 23.07.2026) read with corrigendum thereto. Certified true copy of the Notice convening the Extra Ordinary General Meeting held on 23.07.2026, explanatory statement thereto</td></tr>
<tr><td>3</td><td>In compliance with the provisions of Sections 42 and 62(1)(c) of the Companies Act, 2013 read with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, Transferee or Demerged Company convened an Extra-Ordinary General Meeting of its members on 23.07.2026 and obtained the approval of its members by way of a Special Resolution for</td></tr>
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| | issue of 15,01,434 Equity Shares to persons forming part of the Public / Non-Promotor category. | | along with corrigendum are annexed to this Affidavit dated 19.08.2026 and marked as **Annexure-I.**<br><br>Further, it is submitted that Clause-37 of the Composite Scheme of Arrangement specifically authorizes the Company to issue fresh Share Capital.<br><br>In-Principle Approval from both the Stock Exchanges i.e. BSE and NSE has been received vide their respective letters dated 04.08.2026. Copy of the said letters are submitted vide Affidavit dated 01.09.2026. |
| 4 | An application has been made by Transferee or Demerged Company to the Stock Exchanges, namely, the NSE and BSE, for obtaining their in-principle approval to the said preferential issue and the same is presently awaited. | | |
| 5 | Subsequent to receipt of the in-principle approval of the Stock Exchanges, Transferee or Demerged Company shall allot the aforesaid 15,01,434 Equity Shares, thereby increasing its Paid-up Share Capital from Rs 6,39,90,000 to Rs 6,69,92,868. | | It is submitted that the change in the percentage of Shareholding of the Non-Promoter / Public category is on account of the referred preferential allotment of Equity Shares (i.e. 15,01,434 Equity Shares) to QIBs and Non-QIB Shareholders and the said change is reflected in the post issue Shareholding pattern of the Company. This has led to an increase of Non-promoter Shareholding from 31.10% to 34.20%. Further, it is confirmed that there has been no issue of Shares to persons forming part of Promoter Category pursuant to said preferential issue and thus there has been no change in the promoters holding, in pre and post issue scenario, as depicted in the Shareholding pattern of the Company. However, the change in |

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| | | | "percentage of holding" of promoters (i.e. decrease from 68.90% to 65.80%) has occurred purely on account of corresponding increase in "percentage of holding" of Non-promoters and not otherwise. Further, it is confirmed that the aforesaid change in the Shareholding percentages shall not have any impact on the Share Exchange Ratio, as contemplated in the Composite Scheme of Arrangement. Accordingly, the preferential issue shall not alter the entitlement of any Shareholder under the Scheme, nor does it affect the rights, consideration or Share Exchange Ratio under the Scheme. |
| 6 | The revised Paid-up Share Capital / Shareholding pattern of Transferee or Demerged Company, post the said preferential issue is mentioned at Page No.3 of the Affidavit dated 03.08.2026. | It is noticed from the Shareholding upon issue of preferential issue Share Capital, there is a change in promoter's holding and non promoter's holding. Hence, the Petitioner Companies may be directed to put it details and strict proof before this Tribunal. | It is submitted that the allotted Equity Shares pursuant to the said preferential issue shall rank pari-passu with and on par with the existing Shareholders of the Transferee or Demerged Company in terms of their entitlement to Equity Shares to be allotted by the Resulting Company to the Shareholders of the Transferee or Demerged Company, in terms of the Scheme and the said preferential allotment does not in any manner affect, alter or prejudice the Scheme or the rights of the Shareholders and Creditors of the Petitioner Companies. |
| 7 | The aforesaid increase in the Share Capital of Transferee or Demerged Company is in accordance with and | | |

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| | permitted under Clause-37 of the Composite Scheme of Arrangement filed with this Tribunal. | | |
| 8 | The said allotment and the consequent alteration in the Paid-up Share Capital of Transferee or Demerged Company shall not alter the Share Exchange Ratio under the Scheme being 1:1 and the said Share Exchange Ratio shall remain unchanged. | | |
| 9 | The proposed Shareholders of Transferee or Demerged Company, who shall be allotted Equity Shares pursuant to the said preferential issue, shall rank pari passu with, and on par with the existing Shareholders of Transferee or Demerged Company in terms of their entitlement to Equity Shares to be allotted by Resulting Company to the Shareholders of Transferee or Demerged Company in terms of the Scheme. | These facts may be taken on record, subject to in-principle approval of Stock Exchanges. | |
| 10 | This Affidavit is filed by the Deponents on behalf of Transferee or Demerged Company and Resulting Company to bring the aforesaid facts on record before this Tribunal and to submit that the said preferential allotment does not in any manner affect, alter or prejudice the Scheme or the rights of the Shareholders and Creditors of the Petitioner Companies thereunder. | | |

24. From the above report of Regional Director (SER) and the reply submitted by the Petitioner Companies, it is seen that there are no tenable objections raised and that the queries posed to the Petitioner Companies were also answered. Hence, the directions as sought for by the Regional Director (SER) would stand complied by the Petitioner Companies.

**OBSERVATIONS BY OFFICIAL LIQUIDATOR:**

25. The Official Liquidator vide report dated 22.06.2026 has made certain observations. The Petitioner Companies have filed reply Affidavit dated 22.07.2026, in response to the observations made by the Official Liquidator. The Official Liquidator vide report dated 03.08.2026 has submitted further observations in response to the Affidavit of Petitioner Companies. The details are given below:

| Para No. | Official Liquidator's Observations Dated 22.06.2026 | Petitioner Companies Reply Affidavit Dated 22.07.2026 | Official Liquidator's further Observations Dated 03.08.2026 |
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| 22(a) | As per Para-5.4 of Part-A of the Composite Scheme, the Appointed Date is fixed as 01.04.2025, whereas the Resulting Company has been incorporated on 29.08.2025 under the Companies Act, 2013 i.e. the Resulting Company was not incorporated as on Appointed Date as fixed in the Composite Scheme. | It is submitted that the Board Meeting, where the draft Composite Scheme of Arrangement having Appointed Date as 01.04.2025 was first taken up and approved by all the Petitioner Companies, was conducted on 20.09.2025, whereas the Resulting Company was incorporated prior to the said date. It may therefore be noted that as on the date of Board Meeting | As on the Appointed Date i.e. as on 01.04.2025, the Resulting Company was not incorporated (as per record, it was incorporated on 29.08.2025). |

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| | | where the said Scheme was approved, all the Petitioner Companies were in legal existence. It is submitted and undertaken that in the context of Demerger, the incorporation of Resulting Company subsequent to the Appointed Date does not impact the operation of the Scheme in any manner. Neither it shall be prejudicial to the interest of any Stakeholder of any of the Petitioner Companies. | Hence, this Tribunal may order to modify the Appointed Date to any date after 29.08.2025 as this Tribunal may deem fit and proper.<br><br>In view of the above, the Scheme requires modification. |
| 22(b) | As per the Composite Scheme as well as information provided by the Petitioner Companies, the Transferor Company and Resulting Company are wholly-owned subsidiaries of Transferee or Demerged Company. Further, as per Para-13 of Part-B of the Composite Scheme, no Shares of the Transferee or Demerged Company shall be issued or allotted in lieu of its holding in the Transferor Company and the Paid-up Share Capital of the Transferor Company shall stand cancelled and extinguished and the investments in the Share Capital of the Transferor Company appearing in the Books of Account of Transferee or Demerged Company shall without any further act or deed stand cancelled. | It is submitted that the same being statement of fact, it is confirmed and do not make any further comments. | No further observations. |
| 22(c) | Para-5.20 of Part-A of the Composite Scheme dealing with ‘Record Date’, leaving it as undetermined and seeking to vest entire power to fix the | It is submitted that fixation of Record Date is an event that takes place subsequent upon the Scheme coming into effect, the Transferor | The reply of the Petitioner Companies is not satisfactory. |

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| | Record Date completely with the Board of Directors of Transferee or Demerged Company in consultation with the Board of Directors of the Resulting Company without involvement of Transferor Company and hence, this Tribunal may direct the Transferee or Demerged Company to submit an undertaking to this Tribunal to the effect that the Record Date would be decided and fixed by the Board of Directors of Petitioner Companies. | Company stands dissolved without any further act or deed on the part of the Transferor Company. Further, it is pertinent to note that, in the context of Demerger, since the Shares are allotted to the Shareholders of Transferee or Demerged Company, the Record Date shall be fixed by the said Company itself, though however in consultation with the Resulting Company, since the Shares are issued by the Resulting Company. Further, it may also be noted that Composite Scheme of Arrangement containing the definition of "Record Date" has already been approved by the Board of all the Petitioner Companies, thus ensuring that interest of each of the Petitioner Companies is protected. In view of the above, it is undertaken that Record Date would be decided and fixed in terms of the Composite Scheme of Arrangement by the Transferee or Demerged Company in consultation with the Resulting Company. | The Record Date would be decided and fixed mutually by the Board of Directors of all the Petitioner Companies.<br><br>Hence, this Tribunal may direct the Petitioner Companies to fix the Record Date mutually after approval of the Scheme by this Tribunal. |
| 22(d) | Para 16.1 of Part-B of the Composite Scheme seeks to protect all staff, workmen and employees on the payrolls of the Transferor Company, on the <u>date of approval of the Scheme</u> by the Tribunal shall be deemed to have become staff, workmen and employees of the Transferee of Demerged Company. Similarly, as per Para-28.1 of Part-C of the | It is submitted and undertaken that there would be no retrenchment of any employee related to the Demerged Undertaking of the Transferee or Demerged Company who were in service as on the Appointed Date as well. | Observation complied. |

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| | Composite Scheme seeks to protect all staff, workmen and employees of the Transferee or Demerged Company in Service and involved in relation to the Demerged Undertaking of the Transferee or Demerged Company as on the Date of sanction of the Scheme by the Tribunal shall be deemed to have become staff, workmen and employees of the Resulting Company.<br><br>Hence, this Tribunal may direct the Petitioner Companies to submit an undertaking to this Tribunal to the effect that there would be no retrenchment of any employee who were in service as on the Appointed Date as well. | | |
| 22(e) | As per Para-20 of Part-B of the Composite Scheme, upon approval of the Scheme by this Tribunal the Transferor Company shall be dissolved without winding up and without any further act or deed on the part of the Transferor Company pursuant to the provisions of Act. | It is submitted that the same being statement of fact and do not traverse on the same. | No further observations. |
| 22(f) | As per information provided by the Petitioner Companies vide letter(s) dated 08.05.2026, there are no pending litigations under the IBC, Companies Act and there are no prosecutions against the Companies or its Directors. | It is submitted that the same being statement of fact and do not traverse on the same. | No further observations. |
| 22(g) | The Transferee Company is a listed Company and BSE and NSE vide letter(s) dated 22.12.2025 and 23.12.2025 respectively have made certain | It is submitted and undertaken that the Transferee or Demerged Company and / or Resulting Company shall comply with | Observation complied. |

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| | observations on the Composite Scheme of Arrangement. Hence, this Tribunal may direct the Transferee or Demerged Company to submit an undertaking to this Tribunal to comply / proof of Compliance of the observations made by BSE and NSE on the Scheme of Amalgamation. | the conditions laid down in "No Adverse Observation letters" received from BSE and NSE vide letters dated 22.12.2025 and 23.12.2025 respectively. | |
| 22(h) | It is observed from the combined reading of Para-5.10 (Definition of Demerged Undertaking / identified business undertaking) and Para-21.1(i) (Demerger and Vesting) of the Scheme that the identified business undertaking proposed to be demerged from the Transferee or Demerged Company and to be vested into the Resulting Company comprises all assets, properties, liabilities relating thereto, as specifically set out in Schedule-I to the Scheme.<br><br>However, on perusal of the Schedule-I, reveal that it contains exclusively a description of the immovable property (land) of the Transferor Company with absolute silence and zero disclosure regarding the corresponding liabilities, loans or obligations being transferred alongside the said undertaking.<br><br>In the absence of a detailed statement of assets and Liabilities of the Demerged Undertaking, it is not possible to give comment upon the Demerged Undertaking of the Transferee or Demerged | It is submitted and confirmed that the Schedule-I referred at Para-5.10 of the Composite Scheme of Arrangement, in fact, describes the details of immovable properties forming part of the Demerged Undertaking that would be transferred to and shall vest in the Resulting Company as part of the Scheme. Further, as sought by the Official Liquidator, a statement (**Annexure-1** at Page No.6 of Affidavit dated 22.07.2026**)** submitted containing details of assets, liabilities, debts and other liabilities associated with the Demerged Undertaking as on Appointed Date, duly certified by the Statutory Auditors of the Company. | The Petitioner Companies have submitted their reply enclosing the copy of the statement showing details of Assets & Liabilities to be transferred to the Resulting Company which may be considered as a part of the Scheme. |

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| | Company (since the Scheme is silent about it).<br><br>Hence, this Tribunal may direct the Petitioner Companies to file supplementary Affidavit providing a certified, audited statement of specific assets, liabilities, operational debts and other liabilities associated with the Identified Business Undertaking that are being termed as Demerged Undertaking alongwith precise verified Book Values thereof as on the Appointed Date to furnish comments of the Official Liquidator in this matter by filing supplementary report. | | |
| 22(i) | Para-14.2 of Part-B of the Scheme speaks about Accounting Treatment in the books of the Transferee Company under which Para-14.2.4 of the Scheme speaks as under:<br><br>***"………………… The difference, if any, arising between the investments directly held by the Transferee Company and assets, liabilities and reserves of the Transferor Company shall be accounted based on the accounting principles prescribed under IND AS-103 i.e. shall be transferred to / adjusted against the Capital Reserve."***<br><br>The above contention in the Scheme is not in line with IND AS-103 as applicable in case of Merger of Wholly Owned Subsidiary Company with Holding Company. Hence, the | It is submitted and reproduced Para-15 of the Composite Scheme, which reads as under:<br><br>*With effect from the Appointed Date and upon this Scheme becoming effective,* ***Transferor Company and Transferee Company shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme*** *including but not limited to ……*<br><br>The above covenant in the Scheme confirms and vindicates the proposed | The reply of the Petitioner Companies may be considered by this Tribunal and it may be decided on merits since they stated to strictly comply with the provisions of IND AS-103 by the Transferee Company. |

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| | following modification may be required in the Scheme.<br><br>***"………………… The difference between the investment made by the Transferee Company with Transferor Company and the net assets acquired from the Transferor Company shall be transferred to / adjusted against Capital Reserve."*** | accounting treatment and the applicable Accounting Standards that would be adopted by the Transferee or Demerged Company subsequent upon the Scheme becoming effective. While confirming adherence to the Accounting Standards, the Scheme contemplates various instances that may arise in the course of implementation of the Scheme and treatment thereof. One such instances is mentioned and discussed at Para-14.2.4 as observed at Para-22(i) of the Report. It lays down the course of accounting treatment while committing adherence to IND AS-103. While it is concurred with the views as expressed at Para-22(i) of the Report, it is submitted that modification to the Scheme may not be warranted since the eventual impact would remain unchanged. The Books of Account and the Financial Statement that would be drawn up post the Scheme becoming effective shall be strictly in adherence to the applicable Accounting Standards and shall be subjected to audit by its Statutory Auditors. There shall be no deviation from any applicable Accounting Standards. Further, an undertaking has been attached to the effect that the Company shall strictly adhere to the directions stated at Para-22(i) of the Report as **Annexure-2** (Page | |

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| | | No.7 of Affidavit dated 22.07.2026) and the draft Balance Sheet of the Transferee Company upon giving effect to the Merger, as on Appointed Date, as **Annexure-3** (Page No.9 of Affidavit dated 22.07.2026) which demonstrates that the observation made at Para-22(i) of the report stands addressed and hence satisfied. | |

26. From the above report of Official Liquidator dated 03.08.2026, it is seen that there are no tenable objections raised and that the queries posed to the Petitioner Companies were also answered. Hence, the directions as sought for by the Official Liquidator would stand complied by the Petitioner Companies.

**OUR OBSERVATIONS:**

27. We have heard the Learned Counsel for Petitioner Companies and perused the material papers on record.

28. As regards to the observations pointed out by the Regional Director (SER) and compliance filed by the petitioner companies, the Petitioner Companies undertake to comply the necessary observations whenever required. The Official liquidator had also raised certain observations for which the Petitioner Companies filed its reply by way of Affidavit stating that the petitioner companies will comply with the observations whenever required. With regard to Income Tax Department, there are certain dues

pending by the petitioner Companies, wherein the Transferee or Demerged Company has given undertaking that if any demand arises from the Income Tax Department with respect to Transferor Company, the Transferee or Demerged Company shall pay the said statutory dues.

29. After going through the record, we are of the view that there are no tenable observations which will come in the way of proposed Scheme. The proposed Scheme is not opposed to public interest and is in the interests of the Transferor Company, Transferee or Demerged Company and the Resulting Company and their respective shareholders, employees, creditors and all persons concerned. Hence the proposed Scheme can be approved with Appointed Date as 01.04.2025. All the statutory compliances have been made under Section 230 to 232 of the Companies Act, 2013.

## ORDER

30. After hearing the Learned Counsel for the Petitioner Companies and after perusing the documents filed, we pass the following Order: -

    (A) The Composite Scheme of Arrangement which is filed as an **Annexure–7** from **Page Nos.439 to 513** of the Petition filed by the Petitioner Companies is hereby sanctioned and confirmed with **Appointed Date as 01.04.2025** and shall be binding on all the Members, Employees, Creditors and all other Stakeholders of the Petitioner Companies.

(B) The Transferor Company is dissolved without going through the process of winding up.

(C) We direct the Petitioner companies to comply with all the observations pointed out by the Statutory Authorities.

(D) The Statement (Annexure-1 at Page No.6 of the Affidavit dated 22.07.2026 submitted by the Petitioner Companies) shall be part of the Scheme.

(E) Any tax liability arising from the decision in the Writ Petition pending before the Hon'ble High Court of Telangana in respect of Transferor Company will be borne by the Transferee or Demerged Company; and any tax liability in respect of Resulting Company will be borne by the Resulting Company.

(F) In order to safeguard the interests of the Income Tax Department, the Transferee or Demerged Company shall be liable to pay and discharge all outstanding dues of the Transferor Company including recovery of any demand together with applicable interest and penalties, arising from Transferor Company.

(G) We direct the Petitioner Companies to preserve the Books of Accounts and papers and records and the same shall not be disposed of without the prior permission of the Central Government in terms of provisions of Section 239 of the Companies Act, 2013.

(H) We direct the Petitioner Companies to ensure statutory compliance of all applicable laws and also on sanctioning of the present Scheme, the Petitioner Companies shall not be absolved for any of their statutory liability in any manner.

(I) All the property, rights and powers of Transferor Company be transferred with effect from the Appointed date without any further act or deed to Transferee or Demerged Company and vest in Transferee or Demerged Company.

(J) All the property, rights and powers of Demerged Undertaking (as defined in the Scheme) of the Transferee or Demerged Company may be transferred with effect from the Appointed Date without any further act or deed to the Resulting Company and vest in the Resulting Company.

(K) All the legal proceedings which are pending or which are against the Transferor Company in so far as they relate to the Transferor Company shall be pursued by the Transferee or Demerged Company.

(L) The Petitioner Companies are directed to strictly comply with the Accounting Treatment Standards prescribed under Section 133 of the Companies Act, 2013.

(M) The sanction of the Scheme by this Tribunal shall not forbid the revenue authorities from taking appropriate recourse for recovering the existing and previous tax liabilities of the Petitioner Companies.

(N) We direct the Petitioner Companies involved in the Scheme to comply with Rule 17(2) of the Companies (Compromise, Arrangement and Demerger) Rules, 2013. The Petitioner Companies within 30 days, after the date of receipt of certified copy of the order, shall cause certified copy to be delivered in Form INC-28 to the Registrar of Companies concerned for registration and on such certified copy being delivered, Registrar of Companies concerned shall take all necessary consequential action in respect of the Petitioner Companies.

(O) The Petitioner Companies are further directed to take all consequential and statutory steps required in pursuance of the approved Composite Scheme of Arrangement under the provisions of the Companies Act, 2013.

(P) Any person shall be at the liberty to apply to the Tribunal in the above matter for any directions that may be necessary.

(Q) Accordingly, the **CP(CAA)No.14/230/HDB/2026** is hereby allowed and disposed of.

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| ***Sd/-*** | ***Sd/-*** |
| **(SANJAY PURI)** | **(RAJEEV BHARDWAJ)** |
| **Member (Technical)** | **Member (Judicial)** |

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