

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, COURT – II

CP (CAA) No. 24/230/HDB/2024
Connected with
CA (CAA) No. 20/230/HDB/2024

[U/s 230 to 232 of the Companies Act, 2013
and other applicable provisions of the Companies Act, 2013]

IN THE MATTER OF SCHEME OF AMALGAMATION OF

M/S. EMTAC LABORATORIES PRIVATE LIMITED
(TRANSFEROR COMPANY)

AND

M/S. VIMTA LABS LIMITED
(TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

M/s. EMTAC Laboratories Private Limited

Registered Office at Plot No.11/6,
Road No.9, IDA, Nacharam, Rangareddi,
Hyderabad, Telangana, India-500076.
Represented by its Company Secretary,
Smt Sujani Vasireddi.

....First Petitioner Company/ Transferor Company
And

M/s. Vimta Labs Limited

Registered Office at Plot No.141/2 & 142,
IDA Phase II, Charlapalli, R.R. District,
Hyderabad-500 051, Telangana, India.
Represented by its Managing Director,
Smt Harita Vasireddi.

.....Second Petitioner Company/ Transferee Company

Date of Order:23.01.2025

CORAM:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)
Sri Sanjay Puri, Hon'ble Member (Technical)

Counsel/Parties present:

For the Petitioner : Mr. V.B. Raju, Advocate
For Regional Director : Mr. Satish Kumar, Assistant Director
For Official Director : Mr. Vasantao Meshram, Assistant Director



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Date:23.01.2025.

[PER: BENCH]

ORDER

1. This is a Joint Petition filed by the Petitioner Companies, under Section 232 r/w Section 230 and other applicable provisions of the Companies Act, 2013 praying for the sanction of the Composite Scheme of Amalgamation (“Scheme”) between M/s. EMTAC Laboratories Private Limited (Transferor Company) with M/s. Vimta Labs Limited (Transferee Company), their respective shareholders and creditors in terms of the Scheme of Amalgamation (“Scheme”).
2. The Registered Offices of the Petitioner Companies are situated in the State of Telangana.
3. The Brief facts of the case:

I. First Petitioner Company/ Transferor Company:

- i. M/s. EMTAC Laboratories Private Limited (First Petitioner Company/Transferor Company) was incorporated on 17.10.2014 with CIN: U74200TG2014PTC096043.
- ii. The main objects of the First Petitioner/Transferor Company are:
 - a. To carry on the business of Products Assessment and Certification of all types of consumer and industrial products in the field of Electrical, Electronic, Mechanical and Thermal by establishing necessary laboratories and conducts tests as per National/International standards and offer services to its customers/sponsors in India and abroad.
 - b. To carry on Inspections at the request of its customers/public Organizations and certify the products/processes.



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- c. To Collaborate with and or participate in National/International Standards Organization/association activities in furtherance of its objects.
- d. To conduct Standards, Research & Development programs in the field of human interventional testing, biomedical instruments, electrical, electronic and information technology gadgets and automotive components.
- e. To provide Consultancy for products/process development in achieving desired standards of equity.

iii. **NATURE OF BUSINESS**

The First Petitioner/Transferor Company is engaged in business of Testing and Certification of all types of physical security products, Electrical, Electronic and Mechanical products.

(A copy of the Memorandum and Articles of Association of the First Petitioner Company/ Transferor Company is filed as Annexure-1 at Page Nos.20 to 48 of the Petition).

- iv. The authorized, issued, subscribed and paid-up capital of the First Petitioner Company/ Transferor Company as on 31.03.2024 is as follows:

Particulars	Amount (In Rs.)
Authorised Share Capital	
49,99,950 equity shares of Rs.10/- each	4,99,99,500
TOTAL	4,99,99,500
Issued, subscribed and paid-up share capital	
34,16,500 equity shares of Rs.10/- each fully paid up	3,41,65,000
TOTAL	3,41,65,000



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Subsequent to 31.03.2024, there is no change in the authorized, issued, subscribed and paid-up share capital and the entire share capital of First Petitioner/Transferor Company is held by Second Petitioner/Transferee Company and its nominee.

(A Copy of the Audited Balance Sheet as at 31st March, 2024 of the Transferor Company is filed as Annexure-2 at Page Nos.49-94 of the Petition).

II. Second Petitioner Company/ Transferee Company:

- i. M/s. Vimta Labs Limited (Second Petitioner/Transferee Company) was incorporated on 16.11.1990 with CIN: L24110TG1990PLC011977.
- ii. The main objects of the Second Petitioner/Transferee Company are:
 - a. To continue to carry on in India or abroad, the trade, business, activities and/or other adventures of the partnership firm by the name and style of M/s. Vimta Labs, a partnership firm, at present with its principal place of business in Hyderabad, together with all the properties, assets, liabilities, undertaking establishments, factories, laboratories, belongings, funds, rights, goodwill privileges, obligations and contracts of the said firm or in connection therewith and to run, improve and develop the same as an on-going concern.
 - b. To carry on the business of the testing, analysis and quality assurance stems of various industrial, non-industrial, agricultural and other materials, such as Metals, Minerals, Drugs and Pharmaceuticals, Chemicals, Fertilizers, Pesticides, Oils, Foods, Feeds, Civil Engineering and Building Materials, Mechanical, Electrical and Electronic goods and to conduct Microbiological, Toxicological and Bio availability Studies and to render consultancy and training in



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all the above fields and for this purpose to establish laboratories and get the same approved by appropriate authorities.

- c. To carry on the business of engineering consultants and advisers in the fields of Environmental Planning & Management, Environmental impact Studies, establishing Environmental Labs and Pollution Control Systems in India and abroad including collection and analysis of primary and secondary environmental data i.e., Air, Water, Soil, Flora and Fauna, Socio Economic and Health, and preparation of Environmental Appraisal Reports for industrial complexes and development projects. Ambient Air Quality Monitoring, Stack Sampling Analysis and Monitoring Labs and to train up personnel in operation and maintenance of Effluent and Water Treatment Plants (ETPS & WTPS) and to prepare, design, make detailed Feasibility Reports on Water and Effluent Treatment Plants in various industries and non-industrial sectors and to design fabricate, erect, supply set up and commission various types of Water and Effluent Treatment Plants.

iii. NATURE OF BUSINESS

The Second Petitioner/Transferee Company is engaged in business of Contract Research and Testing Organization which includes Electro Magnetic Interference (EMI)/Electro Magnetic Compatibility (EMC) testing.

(A copy of the Memorandum and Articles of Association of the Second Petitioner/ Transferee Company is filed as Annexure-3 at Page Nos.95 to 144 of the Petition).



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- iv. The authorized, issued, subscribed and paid-up share capital of the Second Petitioner/Transferee Company as on 31.03.2024 is as follows:

Particulars	Amount (In Rs.)
Authorised Share Capital	
3,50,00,000 equity shares of Rs.2/- each	7,00,00,000
TOTAL	7,00,00,000
Issued, subscribed and paid-up share capital	
2,21,70,583 equity shares of Rs.2/- each fully paid up	4,43,41,166
TOTAL	4,43,41,166

Subsequent to 31.03.2024, there is no change in the authorized, issued, subscribed and paid-up share capital of the Company.

(A Copy of the Audited Balance Sheet as at 31st March, 2024 of the Transferee Company is filed as Annexure-4 at Page Nos.145-287 of the Petition).

3. **Rationale and Purpose of the Scheme of Amalgamation:**

ELPL is a wholly owned subsidiary of VLL. Both ELPL and VLL are in similar lines of business. It is proposed to amalgamate ELPL with VLL to consolidate the business of both companies within a single entity with a view to achieve operational synergies and efficiency in administrative functions. The Scheme will result in cost savings through operational synergies, pooling of resources, legal entity rationalization and reduction of administrative responsibilities, and legal & regulatory compliances.

The Scheme is in the interest of ELPL, VLL and their respective stakeholders.

4. The Board of Directors of the Transferor Company and Transferee Company at their respective meetings held on 29.03.2024 and 30.03.2024, have approved the Scheme of Amalgamation of



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M/s. EMTAC Laboratories Private Limited (Transferor Company) with M/s. Vimta Labs Limited (Transferee Company) and their respective Shareholders and Creditors with appointed date as 01.04.2024.

(The copies of the Board Resolutions of the Transferor Company and Transferee Company approving the Scheme of Amalgamation are filed as Annexure-5 and Annexure-6 at Page Nos.288-291 of the Petition).

5. The salient/material features of the proposed Scheme of Amalgamation are detailed in Page Nos.7 to 13 of the Petition.
6. The instant Company Application is filed in pursuance of the Order dated 10.07.2024 passed in CA(CAA)No.20/230/HDB/2024, in which dispensed with the convening the meetings of the equity shareholders, secured creditors unsecured creditors of the Transferor Company and Transferee Company.

(Copy of the Order dated is 10.07.2024 is filed at Annexure-A8 at Page Nos.322-335 of the Petition).

7. As per the directions of this Tribunal vide order dated 02.08.2024, the Petitioner Companies issued notices to the Statutory Authorities.
8. Notices were served individually to all the concerned regulatory authorities i.e., Regional Director (SER), Registrar of Companies (RoC), Official Liquidator, Hyderabad, Income Tax Authorities for intimating the Scheme of Amalgamation.
9. The Regional Director (South Eastern Region), Ministry of Corporate Affairs, Hyderabad has filed its Report on 06.12.2024 and Reply Affidavit filed on 10.12.2024 by the Petitioners and Additional Affidavit Report filed on 13.12.2024 by the RD.
10. In response to the observations made by the Regional Director's Report filed on 06.12.2024 and Additional Affidavit Report filed on



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13.12.2024, the Petitioner Companies have given necessary undertakings and clarifications through their Reply Affidavit which was filed on 10.12.2024. The observations made by the Regional Director and the clarifications and undertakings given by the Petitioner Companies are summarized in the table below:

Page & Para Nos.	Regional Director's Report filed on 06.12.2024 / observations	Reply Affidavit filed on 10.12.2024 by the Petitioner Companies	Regional Director's Additional Affidavit Report filed on 13.12.2024 / observations
Page No.2 Para No.4	This Directorate has received letter No. ROC/HYD/Amal/011977/230-232/2023-24/1822 dated 11.11.2024 from the Registrar of Companies, Telangana, Hyderabad pointing out certain observations as under:-		
Page No.2 Para No.4 (a)	As per clause 1 of Part-I of the scheme, 01.04.2024 is the Appointed date for the proposed scheme and the petitioner Companies have filed Financial Statements for the	These are material facts pertaining to the Petitioner Companies and hence does not require any reply.	



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	year ended 31.03.2024.		
Page No.2 Para No.4 (b)	As per the memorandum of Association of the Transferor Company and Transferee Company, the business objects of both the companies are almost similar.	These are material facts pertaining to the Petitioner Companies and hence does not require any reply.	
Page No.2 Para No.4 (c)	The Transferee Company is a Listed Public Limited Company and hence the respective company may take necessary steps for the compliance under the provisions of Securities and Exchange Board of India Act, 1992.	The Transferee Company being a listed company shall comply with the necessary provisions of Securities and Exchange Board of India Act, 1992.	The Transferee Company have undertaken to comply with the observations of the Deponent.
Page No.2 Para No.4 (d)	Transferor Companies and Transferee Company may be directed to comply with provisions under Foreign Exchange management Act, 1999 and other applicable provisions, if any	The Petitioner Companies shall if necessary comply with the provisions under Foreign Exchange Management Act, 1999 and other applicable provisions.	The Transferee Company have undertaken to comply with the observations of the Deponent.



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	required to be complied with.		
Page No.3 Para No.4 (e)	Hon'ble Tribunal may be pleased to direct the petitioner companies to preserve its books of Accounts and papers and records and shall not be disposed off without the prior permission of the Central Government in terms of the provisions of section 239 of the Companies Act, 2013.	The Petitioner Companies shall preserve its books of Accounts and proper records and shall not dispose off without the prior permission of the Central Government in terms of provisions of section 239 of the Companies Act, 2013.	The Transferee Company have undertaken to comply with the observations of the Deponent.
Page No.3 Para No.4 (f)	Hon'ble Tribunal may be pleased to direct the petitioner companies to ensure statutory compliance of all applicable laws and on sanctioning of the present scheme, the applicant company shall not be absolved for any of its statutory liabilities in any manner.	The Transferee Company shall comply and meet all the statutory liabilities of the Transferor Company post sanctioning of the Scheme of Amalgamation.	The Transferee Company have undertaken to comply with the observations of the Deponent.
Page No.3	Hon'ble Tribunal may be pleased to	The Petitioner Companies shall filed e-form No.INC-	The Transferee Company have



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<p>Para No.4 (g)</p>	<p>direct the petitioner companies involved in the Scheme to comply with Rule 17(2) of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 with respect to filing of order for confirmation of Scheme to be filed in e-form No.INC-28 with the O/o.ROC, by the petitioner company.</p>	<p>28 confirming the order of the Scheme of Amalgamation with the office of the Registrar of Companies, Telangana, Hyderabad.</p>	<p>undertaken to comply with the observations of the Deponent.</p>
<p>Page No.3 Para No.5</p>	<p>The Directorate has received report from the Official Liquidator vide OL Report No.41 of 2024 dated 07.11.2024 by pointing out certain observations vide para 22 of his report. Hon'ble Tribunal may be pleased to direct the Petitioner Companies to comply with the observations pointed out by the Official Liquidator,</p>	<p>The Petitioner Companies had filed their reply affidavit to the observations made by the official liquidator before this Hon'ble Tribunal on 03.12.2024 and accordingly the official liquidator had filed their further report before this Hon'ble Tribunal on 05.12.2024 stating their no objection to the proposed Scheme of Amalgamation.</p>	



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	before the scheme is allowed.		
Page No.3 Para No.6	With reference to this Directorate's letter dated 21.08.2024, issued to The Addl. Commissioner of I. Tax, Hyderabad, till date no reply/comments in the matter has been submitted to this Directorate. Hon'ble Tribunal may be pleased to direct the Petitioner Companies to furnish an undertaking that, if any demand arises from the Income Tax Department with respect to Transferor Companies and Transferee Company, Transferee Company is ready to pay the said statutory dues.	The Transferee Company hereby undertakes to pay any statutory dues including the dues raised by the Income Tax Department in respect the Transferor Company.	The Transferee Company have undertaken to comply with the observations of the Deponent.
Page No.4 Para No.7	On examination of the contents of the scheme, replies of the petitioner companies, the observation of the		



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	Deponent is as under:		
Page No.4 Para No.7 (a)	Since the present scheme of amalgamation between holding and subsidiary company, there is no issue of shares. However, since the Transferee company being a listed company it should comply with the provisions of SEBI (LODR) Regulations 2017 and shall furnish an undertaking before the Hon'ble NCLT in this regard.	The Transferee Company being a listed company shall comply with the necessary provisions of SEBI (LODR) Regulations, 2017.	The Transferee Company have undertaken to comply with the observations of the Deponent.
Page No.4 Para No.7 (b)	As per the Balance Sheet at as 31.03.2024, the Transferee Company has to pay an amount of Rs.2,44,18,624/- towards MSME. Hence, the Transferee Company may be directed to settle the same and furnish an undertaking before the Hon'ble NCLT in this regard.	The Transferee Company had already paid amount of Rs.2,44,18,624/- towards MSME creditor.	



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<p>Page No.4 Para No.7 (c)</p>	<p>As per Clause 12 of the Scheme, it is stated that the Authorized Capital of the Transferor Company will get merged with that of the Transferee Company without payment of additional fees and duties as the said fees have already been paid and the Authorized Capital of the Transferee Company will be increased to that effect. In this regard, the Transferee Company may be directed to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 and pay the differential fee after setting up of the fee already paid by the Transferor Company and furnish an undertaking before Hon'ble NCLT in this regard.</p>	<p>The Petitioner Companies undertake to comply with the necessary provisions of section 233(3)(i) of the Companies Act, 2013 and shall pay the difference fee, if any, after setting off the fee already paid by the Transferor Company on its authorized share capital.</p>	<p>The Transferee Company have undertaken to comply with the observations of the Deponent.</p>
<p>Page No.4</p>	<p>As per the documents/returns</p>	<p>The Petitioner Companies have complied with the</p>	<p>The Petitioner Companies that</p>



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Para No.7 (d)	filed by the Transferee Company with ROC, it has related party transactions during the last 2 years. In this regard, the Transferee Company shall furnish an undertaking with regard to compliance of the provisions of section 188 of the Companies Act, 2013 before the Hon'ble NCLT.	necessary provisions of section 188 of the Companies Act, 2013.	they have complied with the necessary provisions of section 188 of the Companies Act, 2013, however, no such documentary proof is submitted in this regard by the Petitioner Companies which may kindly be considered by the Hon'ble Tribunal.
Page No.4 Para No.7 (e)	It is submitted before the Hon'ble Tribunal to direct the petitioner companies to ensure statutory compliance of all applicable laws and also on sanctioning of the present scheme the applicant company shall not be absolved for any of its statutory liability in any manner.	The Petitioner Companies hereby undertake to pay any statutory liabilities and shall ensure the necessary compliance of all applicable laws.	The Transferee Company have undertaken to comply with the observations of the Deponent.
Page No.5 Para	As per Clause 7 of the Scheme, it is stated that the	The material facts about the Scheme of Amalgamation and hence needs no reply.	



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<p>No.7 (f)</p>	<p>Transferor Company is a wholly owned subsidiary of Transferee Company, there shall be no issue of shares as consideration for the amalgamation of Transferor Company with Transferee Company.</p>		
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Hence, from the above report of the RD, it can be understood that there are no tenable objections raised and that the queries posed to the companies were also answered. Hence, the direction as sought for by the Regional Director (RD) would stand complied.

11. The Official Liquidator (OL) made certain observations in his report filed on 08.11.2024 and further Report filed on 05.12.2024. In response, the petitioner companies filed their reply affidavit on 03.12.2024. The observations made by the Official Liquidator and the undertakings given by the Petitioner Companies are summarized in the table below:

Page and Para Nos.	Observations of the Official Liquidator report filed on 08.11.2024	Reply Affidavit to the report of the official liquidator filed by petitioner companies on 03.12.2024	Observations of the Official Liquidator's Further Report filed on 05.12.2024
Page No.5 Para	That, the Clause 5.1 of Part – II of the Scheme “with effect from the Effective Date, all employees of ELPL shall become employees of VLL on terms and	All employees /workmen of the Transferor	No further observations.



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<p>No.22 (1)</p>	<p>conditions no less favourable than those on which they are engaged by ELPL without interruption in service". Hence, this Hon'ble Tribunal may be pleased to direct the Transferor and Transferee Companies to submit an undertaking to this Hon'ble Tribunal to the effect that there would be no retrenchment of any employee who were in service as on Appointed Date (i.e. 01.04.2024) as well.</p>	<p>Companies shall become employees of the Transferee Company and they shall not be any retrenchment with respect to the any employees who were in service as on appointed date i.e., 01.04.2024.</p>	
<p>Page No.5 Para No.22 (2)</p>	<p>That, the Clause 12 of Part-II of the Scheme provides for clubbing of Authorized Capital. However, as per the Clause, the authorized capital of the Transferee Company shall automatically stand increased without payment of any further fees/ stamp duty. This term in the Schem is not in line with the provisions of Section 232(3)(i) of the Companies Act, 2013. In this regard, the Transferee Company shall comply with the provisions of the aforementioned section and pay the difference fee, if any, after setting off the fee already paid by the Transferor Company on its respective capital.</p>	<p>The Petitioner Companies undertake to comply with the necessary provisions of section 233 (3)(i) of the Companies Act, 2013 and shall pay the difference fee, if any, after setting off the fee already paid by the Transferor Company on its authorised share capital.</p>	<p>No further observations.</p>
<p>Page No.6 Para No.22 (3)</p>	<p>That, as per Clause 8(a) of Part-II of the Scheme "The Transferor and Transferee Company, both being entities under common control, shall account for the amalgamation in its financial statements in accordance with the "Pooling of Interest Method" laid down by Appendix C of Ind AS 103- Business combinations prescribed under Section 133 of the</p>	<p>The Petitioner Companies undertake that the Petitioner Companies shall follow and comply with the</p>	<p>No further observations.</p>



	Act". Hence, this Hon'ble Tribunal may be pleased to direct the Transferor and Transferee Companies to submit an undertaking to the effect that "they will not deviate from the provisions of Indian Accounting Standard (Ind AS) 103 (Accounting for Amalgamations)".	necessary Accounting Standards (Ind AS) 103 (Accounting for Amalgamations).	
Page No.6 Para No.22 (4)	That, as per Clause 13 of Part-II of the Scheme, on the Scheme becoming effective, ELPL shall stand dissolved without going through the process of winding up and the Board and any Committees thereof of ELPL shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of ELPL shall be deemed to be struck off from the records of the RoC.	The material facts about the Scheme of Amalgamation and hence needs no reply.	No further observations.
Page No.6 Para No.22 (5)	That, as per Note-23 of financial statement of Transferor Company for FY:2023-24 an amount of Rs.38.00 lakhs has been shown as "Rent" under the head "Other expenses". In this regard, the Transferor Company had vide letter dated 26.10.2024 submitted that the rent is paid to M/s.Agarwal Steel Industries. M/s.Agarwal Steel Industries is not a related party and there is no relationship with any directors/KMPs. Further, the deposits of Rs.7.4 lakhs shown in Note-6 are with Agarwal Steel Industries towards Rent Deposit and TSSPDCL towards Electricity Consumption Deposit.	The material facts about the Petitioner Companies and Scheme of Amalgamation and hence needs no reply.	The petitioner companies have submitted that it pertains to the material facts about the petitioner companies and Scheme of Amalgamation and hence needs no reply.
Page No.6 Para No.22 (6)	That, as per Note-31 of financial statements of Transferor Company for FY:2023-24 there are amounts given to related parties. In this regard, the Transferor Company vide letter dated 26.10.2024 submitted that the Company has not given any loan or guarantee to any related party but accepted unsecured loan & corporate guarantee from Transferee Company i.e holding company. Transferor Company has availed services in the ordinary course of business from the Transferee	The material facts about the Petitioner Companies and Scheme of Amalgamation and hence needs no reply.	The petitioner companies have submitted that it pertains to the material facts about the petitioner companies and Scheme of Amalgamation



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	Company and the transaction was at arm's length basis.		and hence needs no reply.						
Page No.6 Para No.22 (7)	That, as per Note-10(A) of financial statement of Transferee Company for FY: 2023-24 an amount of Rs.1.73 Crores has been shown as "Capital Advances" under the head "Other Assets". In this regard, the Transferee Company has vide letter dated 26.10.2024 submitted that all the capital advances were for furniture and fittings and the same were purchased in the ordinary course of business.	The material facts about the Petitioner Companies and Scheme of Amalgamation and hence needs no reply.	The petitioner companies have submitted that it pertains to the material facts about the petitioner companies and Scheme of Amalgamation and hence needs no reply.						
Page No.7 Para No.22 (8)	That, as per Note-10(B) of financial statement of Transferee Company for FY: 2023-24 an amount of Rs.10.07 Crores has been shown as "Export Incentives" under the head "Other Assets". In this regard, the Transferee Company has vide letter dated 26.10.2024 submitted that the company is entitled to get export incentives under "Service Exporters Incentives Scheme" (SEIS) notified under Foreign Trade Policy 2015-20, which is pending for approval at DGFT and once the approval is granted, they will avail the benefit of "exemption in custom duty". As it is still in the process for approval, a provision is made in books of accounts and the amount which is reflecting in note 10 B is just the provision made.	The material facts about the Petitioner Companies and Scheme of Amalgamation and hence needs no reply.	The petitioner companies have submitted that it pertains to the material facts about the petitioner companies and Scheme of Amalgamation and hence needs no reply.						
Page No.7 Para No.22 (9)	That, as per the information submitted by the Transferee Company the details of CSR due and spent for the last four years are as follows: <table border="1" data-bbox="268 1675 884 1854"> <thead> <tr> <th>Financial Year</th> <th>Amount liable to be spent (Rs.)</th> <th>Actual spent (Rs.)</th> </tr> </thead> <tbody> <tr> <td>2023-2024</td> <td>1,00,78,201/-</td> <td>1,00,78,201/-</td> </tr> </tbody> </table>	Financial Year	Amount liable to be spent (Rs.)	Actual spent (Rs.)	2023-2024	1,00,78,201/-	1,00,78,201/-	The material facts about the Petitioner Companies and Scheme of Amalgamation and hence needs no reply.	The petitioner companies have submitted that it pertains to the material facts about the petitioner companies and
Financial Year	Amount liable to be spent (Rs.)	Actual spent (Rs.)							
2023-2024	1,00,78,201/-	1,00,78,201/-							



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	2022-2023	62,45,569.81	62,45,570/-		Scheme of Amalgamation and hence needs no reply.
	2021-2022	48,24,298.51	48,24,299/-		
	2020-2021	44,92,008.68	44,92,009/-		
Page No.7 Para No.22 (10)	That, as per the information submitted by the Transferor Company vide letter dated 17.08.2024 received by this office on 28.08.2024, there are no pending litigations or prosecutions against the Directors/Company.			The material facts about the Petitioner Companies and Scheme of Amalgamation and hence needs no reply.	The petitioner companies have submitted that it pertains to the material facts about the petitioner companies and Scheme of Amalgamation and hence needs no reply.

The Official Liquidator (OL) accepted the submissions made by the Petitioners and did not raise any objections for accepting the Scheme of Amalgamation of the Petitioner Companies.

12. **ACCOUNTING TREATMENT CERTIFICATE:**

A copy of the Certificate issued by M/s. Gattamaneni & Co., Chartered Accountants, the statutory auditors of the Transferor Company and Transferee Company has been obtained to the effect that accounting treatment contained in the Scheme and as reproduced in Annexure 1 to this certificate is in conformity with Indian Accounting Standards, as specified under Section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(A Copy of the certificate issued by the Chartered Accountant confirming the Accounting Treatment proposed is in the Scheme is filed as Annexure-9 at Page Nos.336-338 of the Petition).

13. A copy of the email sent to BSE and NSE for filing of the scheme is filed as Annexure-10 at Page Nos.339 to 343 of the Petition.



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14. **CONSIDERATION:**

ELPL is a wholly owned subsidiary of VLL. Therefore, there shall be no issue of shares as consideration for the amalgamation of ELPL with VLL.

15. We have heard the Learned Counsel for the Petitioner Companies and perused the material papers on record. Considering the entire facts and circumstances of the case and on perusal of the Scheme, Report of the Regional Director, reply/undertaking of the Petitioner Companies thereon, report of the Official Liquidator, and the documents produced on record, we consider the Scheme of Amalgamation is fair and reasonable and not contrary to public policy and not violative of any provisions of law. All the statutory compliances have been made under Sections 230 to 232 of the Companies Act, 2013.

ORDER

16. After hearing the Learned Counsel for the Petitioner Companies and after considering the material on record, the following order is passed:
- i. The Scheme of Amalgamation, which is filed at Annexure-7 at page nos. 292-321 of the petition is hereby sanctioned and confirmed with appointed date as 01.04.2024 and shall be binding on all the members, employees, creditors, concerned statutory, regulatory authorities and all other stakeholders of the Petitioner Companies.
 - ii. While approving the Scheme, we make it clear that this order should not be construed as an order in anyway granting exemption from payment of stamp duty, taxes or any other charges, if any, payable, in accordance with law or in respect of any permission/compliance with



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any other requirement which may be specifically required under any law.

- iii. The whole of the assets, property, rights and Liabilities of the Transferor Companies shall be transferred without the requirement of any further act or deed to the Petitioner/Transferee Company.
- iv. We direct the Petitioner companies to comply with all the observations pointed out by the Regional Director and Official Liquidator, if any.
- v. 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 the provisions of Section 239 of the Companies Act, 2013.
- vi. 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 from any of its statutory liabilities, in any manner.
- vii. We direct the Petitioner Companies involved in the Scheme, to comply with Rule 17(2) of the Companies (Compromise, Arrangement and Amalgamation) 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 the 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.
- viii. The Petitioner Companies are further directed to take all consequential and statutory steps required in pursuance of the approved Scheme of Amalgamation under the provisions of the Companies Act, 2013 and



Date:23.01.2025.

submit necessary compliance and undertaking relating to the objections raised by the Regional Director (SER), MCA, Government of India, Hyderabad and Official Liquidator, Hyderabad.

- ix. All the legal proceedings pending by/or against the Transferor Companies shall be continued by/or against the Transferee Company.
- x. The tax implications, if any, arising out of the Scheme is subject to final decision of the Tax Authorities concerned and the decision of the Tax Authorities concerned shall be binding on the Transferee Company.
- xi. The Transferee Company is directed to strictly comply with the Accounting Treatment Standards prescribed under Section 133 of the Companies Act, 2013.
- xii. The sanction of the Scheme by this Tribunal shall not forbid the Revenue Authority from taking appropriate recourse for recovering the existing and previous tax liabilities of the Transferor and Transferee Companies.
- xiii. We direct the Transferee Company to comply with the provisions of Section 2(41) of the Companies Act, 2013, if applicable.
- xiv. The Transferor Companies shall be dissolved without going through the process of winding up.
- xv. The Petitioner Companies shall until the completion of the Scheme of Amalgamation, file a statement in such form and within such time as prescribed with the Registrar every year duly certified by the Chartered Accountant or a Cost Accountant or a Company Secretary to the effect that the Scheme of Amalgamation is being complied in




CP (CAA) No. 24/230/HDB/2024
Connected with
CA (CAA) No. 20/230/HDB/2024


Date:23.01.2025.

accordance with the orders of this Tribunal as required under Section 232(7) of the Companies Act, 2013.


- xvi. All concerned shall act on a copy of this order along with Scheme duly authenticated by the Deputy/Assistant Registrar of this Tribunal.
- xvii. Any person shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.
- xviii. Accordingly, the Company Petition bearing CP(CAA) No. 24/230/HDB/2024 is allowed and stands disposed of.


(Sanjay Puri)
Member (Technical)

Apoorva


(Rajeev Bhardwaj)
Member (Judicial)




24/01/25
Deputy Registrar / Assistant Registrar / Court Officer
National Company Law Tribunal, Hyderabad Bench

प्रमाणित प्रति
CERTIFIED TRUE COPY
केस संख्या
CASE NUMBER... CP(CAA) No. 24/230/HDB/2
निर्णय का तारीख
DATE OF JUDGEMENT... 23/01/25
प्रति तैयार किया गया तारीख
COPY MADE READY ON... 24/01/25