



January 23, 2026

To,

National Stock Exchange of India Ltd. Exchange Plaza Bldg. 5 th Floor, Plot No.C-1 'G' Block, Near Wockhardt, Bandra Kurla Complex Mumbai 400 051. Symbol: DCW	BSE Limited Department of Corporate Services, 1 st floor, New Trading Ring Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. Scrip Code: 500117
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Dear Sir(s)/Madam,

Subject: Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

We refer to the letter dated February 13, 2025 intimating about the approval granted by the Board of Directors of DCW Limited vide board resolution dated February 13, 2025 for proposed Scheme of Amalgamation under Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, for amalgamation of Dhrangadhara Trading Company Private Limited ("Transferor Company 1" or "DTCPL") and Sahu Brothers Private Limited ("Transferor Company 2" or "SBPL") with and into DCW Limited ("Transferee Company" or "DCW" or "Company") and their respective shareholders ("Scheme"), subject to the approval of National Company Law Tribunal, Ahmedabad Bench and other statutory and regulatory authorities.

Pursuant to Regulation 30 of the SEBI Listing Regulations, we inform you that the Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench, vide its order dated January 22, 2026 ("Order") has approved the Scheme. The certified true copy of the order shall be filed with the Registrar of Companies, Ahmedabad, by the Company, the Transferor Company 1 and the Transferor Company 2 as per the applicable laws, upon receipt of the same. Accordingly, the Scheme shall become effective upon filing of the same with the Registrar of Companies, Ahmedabad.

Upon the said Scheme becoming effective:

1. Transferor Company 1 and Transferor Company 2 shall stand amalgamated with and into the Transferee Company, and



DCW LIMITED

HEAD OFFICE :

"NIRMAL" 3RD FLOOR, NARIMAN POINT, MUMBAI-400 021.

TEL.: 4957 3000, 4957 3001

REGISTERED OFFICE : DHRANGADHRA - 363 315 (GUJRAT STATE)

Email: ho@dcwltd.com, Website: www.dcwltd.com, CIN-L24110GJ1939PLC000748



2. DCW Limited shall, in consideration of the amalgamation, issue and allot 12,80,500 (Twelve Lakhs Eighty Thousand Five Hundred) fully paid-up equity shares of face value INR 2/- each to the equity shareholders of DTCPL, in proportion to their respective shareholding in DTCPL, and shall further issue and allot 5,24,59,860 (Five Crores Twenty-Four Lakhs Fifty-Nine Thousand Eight Hundred Sixty) fully paid-up equity shares of face value INR 2/- each to the equity shareholders of SBPL, in proportion to their respective shareholding in SBPL, pursuant to the amalgamation of DTCPL and SBPL into DCW Limited under the Scheme.

The copy of the NCLT order approving the scheme is attached herewith.

We request you to kindly take the above on record.

Thanking You,

Yours faithfully,

For **DCW Limited**



Dilip Darji

Sr. General Manager (Legal) & Company Secretary
Membership No. ACS-22527

Encl: as above

DCW LIMITED

HEAD OFFICE :

"NIRMAL" 3RD FLOOR, NARIMAN POINT, MUMBAI-400 021.

TEL.: 4957 3000, 4957 3001

REGISTERED OFFICE : DHRANGADHRA - 363 315 (GUJRAT STATE)

Email: ho@dcwltd.com, Website: www.dcwltd.com, CIN-L24110GJ1939PLC0000748

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD



ITEM No.301
C.P.(CAA)/58(AHM)2025 in C.A.(CAA)/51(AHM)2025

Under Section 230-232 of the Companies Act, 2013

IN THE MATTER OF:

Dhrangadhara Trading Company Private imited
Sahu Brothers Private Limited
DCW Limited

.....Applicants

Order delivered on: 22/01/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

O R D E R
(Hybrid Mode)

The case is fixed for the pronouncement of the order. The order is pronounced in open Court, vide separate sheet.

Sd/-

**SANJEEV SHARMA
MEMBER (TECHNICAL)**

Sd/-

**SHAMMI KHAN
MEMBER (JUDICIAL)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-1, AHMEDABAD**

CP(CAA)/58(AHM)2025

In

CA(CAA)/51(AHM)2025

[Company Petition under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016].

In the matter of Scheme of Amalgamation

Memo of Parties

**Dhrangadhara Trading
Company Private Limited**

CIN: U99999GJ1942PTC163556

A company incorporated under the provisions of the erstwhile Indian Companies Act, 1913 and valid and subsisting under the Companies Act, 2013, having its registered office at: Dhrangadhra, Surendra Nagar – 363310, Gujarat, India.

... Petitioner Company No.1
/Transferor Company No. 1

Sahu Brothers Private Limited

CIN: U65910GJ1949PTC163598

A company incorporated under the provisions of the erstwhile Indian Companies Act, 1913 and valid and subsisting under the Companies Act, 2013, having its registered office at: Dhrangadhra, Surendra Nagar – 363310, Gujarat, India.

... Petitioner Company No.2
/Transferor Company No.2

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DCW Limited

CIN: L24110GJ1939PLC000748

A company incorporated under the provisions of the erstwhile Indian Companies Act, 1913 and valid and subsisting under the Companies Act, 2013, having its registered office at: Dhrangadhra, Gujarat, India – 363315.

... Petitioner Company No.3
/Transferee Company

Order Pronounced on 22.01.2026

C O R A M :

MR. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
MR. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E:

For the Petitioner Companies : Mr. Ravi Pahwa, Advocate
a.w. Ms. Gunjan Aggarwal, Advocate

For the Regional Director : Mr. Shiv Pal Singh, Deputy Director

For the Income Tax Dept. : Ms. Kinjal Trivedi, Junior Standing Counsel

O R D E R

Per Bench

1. This joint Company Petition viz., **CP(CAA)/58(AHM) 2025** in CA(CAA)/51(AHM)/2025, has been filed by the petitioner companies under Sections 230 to 232 and other applicable provisions of the Companies Act and read with Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 (hereinafter referred to as "Companies (CAA) Rules,

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2016"), seeking approval of the proposed Scheme of Amalgamation (Scheme) with effect from **01.07.2024**, being the Appointed Date as mentioned in the Scheme. The said Scheme is annexed as "**Annexure-J**" to the Company Petition (Pg. 340 to 358).

2. Affidavits dated 21.11.2025 in support of the Company Petition, were sworn by Romu Malkani, the Authorized Signatory of the Transferor Company No. 1 and Ashish Jain, the Authorized Signatory of the Transferor Company No. 2 and Dilip Darji, the Authorized Signatory of the Transferee Company, duly authorized vide Board Resolutions dated **13.02.2025** of Petitioner Companies. The aforesaid affidavits and board resolutions are placed on record along with the company petition. The Board Resolutions dated 13.02.2025 are annexed at **Annexure-H (Colly)** to the company petition.
3. The proposed Scheme, *inter alia*, provides for Amalgamation of the Transferor Company No.1/Dhrangadhara Trading Company Private Limited, Transferor Company No.2/Sahu Brothers Private Limited with the Transferee Company/DCW Limited with effect from the Appointed Date i.e. **01.07.2024**.
4. **Dhrangadhara Trading Company Private Limited / Transferor Company No.1**

It is a private limited company incorporated on 21.10.1942 under the provisions of the Indian Companies Act, 1913,



with the Registrar of Companies, Gujarat. Subsequently, the registered office was shifted from Gujarat to Maharashtra. Thereafter, the registered office was again shifted back to the State of Gujarat via order dated 26.03.2025 issued by Regional Director and currently situated at Dhrangadhra, Surendra Nagar-363310, Gujarat, India. As on 30.06.2025, the authorized share capital was Rs.10,00,000/- and the issued, subscribed and paid-up share capital was Rs.51,800/-.

5. Sahu Brothers Private Limited / Transferor Company No.2

It is a private limited company incorporated on 04.04.1949 under the provisions of the Indian Companies Act, 1913 with the Registrar of Companies, Gujarat in the name and style of Sahu Brothers Saurashtra Private Limited. Subsequently, its registered office was shifted from the State of Gujarat to the State of Maharashtra. Thereafter, the company's name was changed to its present name i.e. Sahu Brothers Private Limited with effect from 23.11.2007. Further, the registered office was shifted back to the State of Gujarat via order dated 25.03.2025 issued by Regional Director and currently located at Dhrangadhra, Surendra Nagar-363310, Gujarat, India. As on 30.06.2025, the authorized share capital was Rs.10,00,00,000/- and the issued, subscribed and paid-up share capital was Rs.9,74,55,900/-.

6. DCW Limited /Transferee Company

It is a public limited company, and the shares are listed on BSE Limited and National Stock Exchange of India Limited. It is incorporated on 28.01.1939, under the provisions of the Indian Companies Act, 1913, in the name and style of Dhrangadhra Chemical Works Limited and its registered office is situated at Dhrangadhra, Gujarat, India – 363315. Gujarat. Subsequently, the company's name was changed from Dhrangadhra Chemical Works Limited to its present name i.e. DCW Limited with effect from 08.04.1987. It is a prominent chemicals manufacturer in India. As on 30.06.2025, the authorized share capital was Rs.70,00,00,000/- and the issued, subscribed and paid-up share capital was Rs.59,03,10,034/-.

7. The Petitioner Companies had filed a joint Company Application before this Tribunal, being CA(CAA)/51(AHM)2025 on 10.09.2025. The said company application was allowed by this Tribunal vide order dated 26.09.2025. Further, the Petitioner Companies had filed Comp. App/38(AHM)2025 seeking certain modification to the aforesaid order. This Tribunal vide order dated 09.10.2025 allowed the said Comp. App/38(AHM)2025 and directed for convening and holding separate meetings of equity shareholders of all the Petitioner Companies, secured creditors and unsecured creditors of the Transferee Company on 15.11.2025. There were no secured creditors or unsecured creditors in the Transferor Company No.1 and Transferor Company No.2 as well as there were no

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 preference shareholders in the Petitioner Companies. Further, vide order dated 26.09.2025, this Tribunal directed for issuance of notice to Central Government through the Regional Director, to the Registrar of Companies, Gujarat, to the Official Liquidator (for Transferor Companies), to SEBI, BSE, NSE and to the Reserve Bank of India, and to the concerned Income Tax Department and copy to the Principal Chief Commissioner of Income Tax Office as well as other Sectorial Regulators, if applicable, who may have significant bearing on the operation of the Applicant Companies.

- 8.** In compliance with the order dated 26.09.2025 passed by this Tribunal in CA(CAA)/51(AHM)2025 read with order dated 09.10.2025 passed in Comp. App/38(AHM)2025, the Applicant Companies filed affidavit of service of notice on 12.11.2025, vide Inward No. D7429, regarding service of notice upon Statutory/Regulatory Authorities as well as notice upon the equity shareholders of the applicant companies and secured and unsecured creditors of the Transferee Company along with proof of paper publication.
- 9.** The aforesaid meetings were duly convened and held on 15.11.2025 and the Chairman has filed his reports through e-mode on 18.11.2025 regarding the result of the aforesaid meetings before this Tribunal in compliance with the order vide order dated 26.09.2025 read with order dated 09.10.2025.



10. **RATIONALE OF THE SCHEME:**

The Application states the following regarding the rational of the Scheme:

“ It is proposed to amalgamate the Transferor Companies into the Transferee Company through the Scheme, enabling the shareholders of the Transferor Companies to directly hold shares in the Transferee Company. It is envisaged that the following benefits would, inter alia, accrue to the Transferee Company:

- a) The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Companies into the Transferee Company;*
- b) The amalgamation will result in the direct holding of shares by the promoters in the Transferee Company. This will not only reduce shareholding tiers but also reinforce the promoter group’s direct commitment and engagement with the Transferee Company;*
- c) The promoters group’s shareholding in the Transferee Company will remain unchanged pre and post-amalgamation. Additionally, there will be no impact on the paid-up share capital or financial position of the Transferee Company. All costs and charges arising from the Scheme shall be borne by the Transferor Companies or the Promoter/Promoter Group of the Transferee Company.*
- d) The shareholders of the Transferor Companies shall indemnify and keep the Transferee Company indemnified for liability, claim, demand, if any, which may devolve on the Transferee Company on account of this amalgamation.*

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Accordingly, the Board of Directors of the Transferor Companies and the Transferee Company have formulated this Scheme for transfer and vesting of the Transferor Companies with and into the Transferee Company pursuant to the provisions of Section 230-232 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof). The scheme will not be prejudicial to the interests of the shareholders, employees, creditors, customers and other stakeholders of the Transferor Companies and the Transferee Company, and there is no likelihood that the interests of any stakeholders would be prejudiced as a result of the scheme.”

- 11.** After complying with all the directions given in the order dated 26.09.2025 passed in CA(CAA)/51(AHM)2025 read with order dated 09.10.2025 passed in Comp. App/38(AHM)2025, by this Tribunal, the Second Motion Petition was filed by the Petitioner Companies on 27.11.2025 (e-filed on 24.11.2025), vide Inward Diary No. E 3039, seeking sanction of the proposed Scheme.
- 12.** This Tribunal vide order dated 27.11.2025, passed in CP(CAA)/58(AHM)2025, directed the petitioner companies for issuance of notice to the Statutory/Regulatory Authorities namely (i) Central Government through the Regional Director (North-Western Region), (ii) Registrar of Companies, Gujarat, (iii) the Official Liquidator (iv) to SEBI, BSE, NSE and to the Reserve Bank of India (v) to the concerned Income Tax Authorities, as well as to the concerned Statutory Regulators / Sectorial Regulators, if applicable. Further, directed to publish the notice in two newspapers i.e. in “Indian Express” in English and Gujarati



translation thereof in "Financial Express", Ahmedabad edition.

13. In compliance of order dated 27.11.2025, passed in CP(CAA)/58(AHM)2025, the petitioner companies filed affidavit of service dated 22.12.2025, vide inward no. D8771 on 31.12.2025 in respect of service of notice upon the aforesaid statutory/regulatory authorities along with proof of service as well as proof of publications of notice of hearing of the petition in "Indian Express", in English and Gujarati translation thereof in "Financial Express", Ahmedabad edition on 10.12.2025.
14. Pursuant to the service of notice upon the statutory/regulatory authorities, following authorities have responded: -

STATUTORY/REGULATORY AUTHORITIES OBSERVATION & RESPONSE THEREOF

A. Regional Director and ROC

In response to the notice served upon the Regional Director (RD), a representation/report dated 07.01.2026 was filed by the RD, North-Western Region, on 09.01.2026, vide Inward Diary No. R50, along with report of the Registrar of Companies (RoC) dated 20.11.2025. They have made some observations in their reports. The petitioner companies filed an affidavit in reply dated 12.01.2026, vide Inward Diary No. D321, on 13.01.2026, in response to the representation/reports of RD and RoC.

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RD's Observation

i) Para-7(i), as per the Scheme, the authorized share capital of the Transferor Companies amounting to Rs.10,10,00,000/- will be added to the authorized share capital of the Transferee Company and the consolidated authorized share capital of the Transferee Company post-merger will be Rs.80,10,00,000/-. The Transferee Company shall pay the differential fees and stamp duty, if any, on the authorized share capital after set-off the fee/stamp duty paid by the Transferor Companies on its authorized capital prior to amalgamation in compliance of provisions of Section 232(3)(i) of the Companies Act, 2013.

Response of the petitioner companies: The petitioner companies undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013.

ii) Para-7(ii), that the Petitioner Transferee Company namely DCW Limited is listed with the BSE & NSE, and the transferee company has submitted copies of observation letters dated 13.08.2025 and 14.08.2025 issued by BSE and NSE to the Transferee Company. The SEBI circulars are issued to ensure compliance by listed companies in the interest of shareholders at large. Hence, all applicable SEBI circulars are binding, and the petitioner company is required to comply with their provisions.

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Response of the petitioner companies: It is submitted that the Transferee Company duly complied with the observation letters dated 13.08.2025 and 14.08.2025 issued by the BSE Ltd. and NSE Ltd. The Transferee Company further undertakes to comply with SEBI Master Circular, so far as it relates to the post Scheme compliances.

iii) In para-7(iii), it is submitted as follows:-

It is mentioned under the head accounting treatment at clause 15 of the scheme are as follows:-

"Upon the Scheme being effective and with effect from the Appointed Date, Transferee Company shall account for the Amalgamation of Transferor Companies into and within its books of accounts in accordance with the "Pooling of Interest Method" prescribed under the Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Act read with relevant rules framed thereunder and other accounting principles generally accepted in India."

In this regard, it is observed from the aforementioned para in the scheme that it is not mentioned clearly about accounting treatment for the transferee company with regard to assets, liabilities and reserves of the transferor company post amalgamation. The accounting treatment has not been specified clearly which does not reflect clear picture as to how the

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assets, liabilities and reserves are going to be dealt with post amalgamation.

Therefore, this Tribunal may be pleased to direct the petitioner companies to clarify the treatment in books of accounts of transferor and transferee company in the matter particularly w.r.t. Assets, Liabilities, Revenue Reserves, Capital Reserve, Goodwill etc. in the best interest of the stakeholders at large as the company being a listed company.

Reply of the petitioner companies: It is submitted that the accounting treatment for the amalgamation has been clearly provided in the Scheme and is in strict compliance with the provisions of Indian Accounting Standard (Ind AS) 103- Business Combinations, more particularly, Appendix C thereto, which prescribes the “Pooling of Interest Method” for accounting of common control business combinations. The certificate certifying the Accounting Treatment has been duly certified by the Statutory Auditors of the Transferee Company, same is annexed to the company petition as Exhibit-4. The applicant companies have reproduced paras-8 to 12 of Appendix C of Ind AS 103. It is further submitted that the accounting treatment prescribed in Clause 15 of the Scheme is fully aligned with Appendix C of Ind AS 103, notified under Section 133 of the Companies Act, 2013, and adequately addresses the treatment of assets, liabilities, reserves,



capital reserve, revenue reserves and goodwill post amalgamation.

iv) In para-7(iv), it is submitted that at clause 16 of the scheme which is as follows:-

“Upon the Scheme becoming effective, in part or in whole, and as an integral part of the Scheme, (i) the preference share capital of the Transferor Company 1 shall be reclassified as the equity share capital; (ii) the resultant authorized, issued, subscribed and paid up share capital of the Transferor Company 1 and the Transferor Company 2 shall be reclassified/reorganized such that each equity share of INR 100 each of the Transferor Company 1 and the Transferor Company 2 is reclassified / reorganized as 50 equity shares of INR 2 each.”

In this regard, this Tribunal may please be directed to the applicant transferor companies to make the compliance of Sections 13 and 61 of the Companies Act, 2013 and file relevant e-form with applicable fee before concerned RoC.

Reply of the petitioner companies: It is submitted that Clause 16 of the Scheme clearly provides for reclassification and reorganization of the share capital of the Transferor Companies upon the Scheme becoming effective. As per the said clause, the preference share capital of Transferor Company 1 shall be reclassified as equity share capital and further, the authorized, issued, subscribed and paid-up share capital of the Transferor Company 1 and Transferor Company 2 shall be reclassified/reorganized such that





each equity share of INR 100/- each shall stand reclassified into 50 equity shares of INR 2/- each.

The petitioner companies undertake that the aforesaid reclassification and reorganization of share capital shall be carried out strictly in accordance with the provisions of Sections 13 and 61 of the Companies Act, 2013 and the applicable rules made thereunder. They undertake to make necessary compliances, including filing of requisite e-forms along with applicable fees, with the jurisdictional Registrar of Companies, as may be required, pursuant to the Scheme becoming effective.

- v) This Tribunal to direct the petitioner companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.

Response of the petitioner companies: The petitioner companies affirmed that the Scheme enclosed along with the Company Application and Company Petition are one and same and there are no discrepancies or changes made.

- vi) This Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that no CIRP proceeding under IBC and/ or winding up petition against applicant companies are pending.



Response of the petitioner companies: The petitioner companies affirmed that no CIRP proceeding under IBC and/or winding up petition against the petitioner companies are pending.

The RD in the representation further submitted that this Tribunal may be pleased to direct the Petitioner Companies;

- (i) To preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

Response of the petitioner companies: The petitioner companies undertake to preserve the books of accounts, papers and records and shall not dispose of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

- (ii) To ensure statutory compliance of all applicable laws and on sanctioning of the present scheme, the petitioner companies shall not be absolved from any of its statutory liabilities, in any manner.

Response of the petitioner companies: The petitioner companies undertake to ensure statutory compliance of all the applicable laws and on sanctioning of the present Scheme, shall not be absolved from any of its statutory liabilities, in any manner.



(iii) Necessary Stamp Duty on transfer of property/assets, if any, is to be paid to the respective authorities before implementation of the Scheme.

Response of the petitioner companies: The petitioner companies undertake to file Adjudication Application before the Stamp Duty Authorities, as may be required in accordance with applicable State Laws for determination of Stamp Duty payable on the Order and the Scheme.

(iv) The petitioner companies involved in the Scheme to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to filing of the certified copy of the order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.

Response of the petitioner companies: The Petitioner Companies undertake to comply with the provisions of Section 232(5) of the Companies Act, 2013 with respect to filing certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order or within an extended timeline with payment of additional fees, as may be levied by RoC from time to time.

(v) The petitioner companies shall undertake to comply with the Income Tax/GST law and any demand/taxes payable on implementation of the said scheme as per law.



Response of the petitioner companies: The petitioner companies undertake to comply with the Income Tax / GST law and any demand/taxes payable on implementation of the said scheme as per law, if any.

RoC's Observation

The observations of the Registrar of Companies have already been incorporated in the representation filed by the Regional Director. The petitioner companies have duly submitted their replies and have also furnished the requisite undertakings in response to the said representation of the Regional Director/the Registrar of Companies.

15. The Official Liquidator

In response to the notice served upon the Official Liquidator (OL), representations/reports dated 23.12.2025 were filed by the OL on 24.12.2025 vide Inward Diary No. R584, in respect of the Transferor Companies. In response of the representations of the OL, joint affidavit in reply dated 05.01.2026 was filed by the petitioner companies on 09.01.2026, vide Inward Diary No. D126.

OL's Observation

- (i) The Transferor Companies have filed their Audited Annual Accounts (Balance Sheet) with the Registrar of Company up to 31.03.2024.

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- (ii) The Transferor Companies have not accepted Deposits under Section 73 of the Companies Act, 2013. Further, the maintaining of cost record is not applicable to the companies. Moreover, the Transferor Companies are not required to register with RBI as a NBFC.
- (iii) The Transferee Company has undertaken to engage and continue the employment of all employees of the Transferor Companies on terms and conditions that are not less favourable than those on which they are engaged by the Transferor Companies without any interruption of services as a result of the amalgamation of the Transferor Companies with Transferee Company. Further, with effect from the effective date, the Provident Fund, Gratuity Fund, Superannuation Fund and/or other Funds and including any surplus in any such Funds created or existing for the benefit of the employees of the Transferor Companies shall be transferred and vested in the corresponding Funds of the Transferee Company in due course.
- (iv) This Tribunal may be pleased to direct the Transferor Companies to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

Response of the petitioner companies: The petitioner companies undertake to preserve their books of



accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provisions of Section 239 of the Companies Act, 2013.

(v) To direct the Transferor Companies to ensure Statutory compliance of all applicable laws and on sanctioning of the present Scheme, the Transferor Companies shall not be absolved from any of its Statutory liabilities, in any manner.

Response of the petitioner companies: The petitioner companies undertake to ensure statutory compliance of all applicable laws and on sanctioning of the present Scheme, shall not be absolved from any of its statutory liabilities, in any manner.

(vi) The Transferor Companies Dharangadhara Trading Company Pvt. Ltd. and Sahu Brothers Pvt. Ltd. may be dissolved without following the process of winding-up in terms of sub-section 3(d) of Section 232 of the Companies Act, 2013. Further, the Transferor Companies being dissolved the fee, if any, paid by the Transferor Companies on their Authorized Share Capital shall be set-off against any fees payable by the Transferee Company on its Authorized Capital subsequent to the amalgamation in terms of sub-section 3(i) of Section 232 of the Companies Act, 2013.

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 Reply of the petitioner companies: The petitioner companies undertake to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013.

(vii) To direct the petitioner companies to lodge a certified copy of the order along with the scheme, with the Superintendent of Stamps concerned for the purpose of adjudication of stamp duty payable, if any.

Response of the petitioner companies: The petitioner companies undertake to lodge a certified copy of the order along with the scheme, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any.

(viii) To direct the companies involved in the scheme to comply with provision of Section 232(5) of the Companies Act, 2013 with respect to filing of certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.

Response of the petitioner companies: The petitioner companies undertake to comply with provisions of Section 232(5) of Companies Act, 2013 with respect to file certified copy of order sanctioning the scheme with Registrar of Companies within 30 days from the date of passing order.

16. Income Tax Department

16.1 Pursuant to the notice served upon the Income Tax Department, reports dated 18.12.2025 and 19.12.2025 from the Income Tax Department, Mumbai, were received on 30.12.2025, vide inward nos. 2314 and 2315. The petitioner companies filed their reply to affidavit on 09.01.2026, vide inward no. D127.

16.2 In the aforesaid reports, it is submitted that on verification of details from ITBA system, the assessee companies M/s. Dhrangadhara Trading Company Pvt. Ltd. and M/s. Sahu Brothers Pvt. Ltd. are filing its return of income regularly. It is further submitted that the Transferor Companies and the Transferee Company may kindly be directed to give undertaking that any notice/letter/order issued by Income Tax Department till the deletion of PAN would be considered valid and shall not be challenged. Further, the assessee may kindly be directed to strictly comply with Section 170A of the Income Tax Act, 1961. It is submitted the rights of the Income Tax Department should remain intact to take out appropriate proceedings regarding rising of any tax demand against the assessee at any future date and these rights should not be adversely affected any view of the sanction of the Scheme. It is further submitted that sanction to the Scheme should not adversely impact the rights of the Income Tax Department for any present or future proceedings. The Department should be at liberty to take appropriate action as per law in case of an event



of any tax-avoidance or violation of Income Tax Law or any other similar issue.

Response of the petitioner companies: The petitioner companies undertake that the Income Tax Department shall be at liberty to initiate appropriate proceedings against any of the petitioner companies, particularly, the surviving company which shall inherit all the past liabilities of the Transferor Companies, subsequent to receiving the sanction of the Scheme by this Tribunal. Further, it is submitted that the Scheme does not in any manner violate or prejudice the rights of the Income Tax Department to adjudicate matters relating to any of the petitioner companies.

17. The equity shares of Petitioner Company No.3/ Transferee Company is listed on Bombay Stock Exchange (BSE) and National Stock Exchange of India Ltd. (NSE). The petitioner companies have placed on record No Objections Letters dated 13.08.2025 and 14.08.2025 of BSE and NSE issued to DCW Limited / Transferee Company.
18. No other representations or reports have been received from any other statutory/regulatory authorities.
19. **Valuation Report**
Copy of Valuation Report dated 13.02.2025 of CA Harsh Chandrakant Ruparelia, Registered Valuer, Registration No. IBBI/RV/05/2019/11106, recommending the share



exchange ratio for the proposed Scheme of Amalgamation, is annexed to the company petition as **Annexure-K** (Pg.367-380). Copy of Fairness Report, dated 13.02.2025 of Seren Capital Pvt. Ltd., on the share exchange ratio recommended by CA Harsh Chandrakant Ruparelia, for the proposed Scheme of Amalgamation, is annexed to the company petition as **Annexure-K** (Pg. 359-366).

20. Accounting Treatment

The petitioner companies submitted that the accounting treatment specified in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

The Statutory Auditors have certified that the Accounting Treatment proposed in Clause-15 of Part-II of the Scheme is in compliance with Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and circulars issued thereunder and all the applicable accounting standards notified by the Central Government under the Act, read with relevant rules issued thereunder and other generally accepted accounting principles in India. Copy of the certificate dated 13.02.2025 issued by the Statutory Auditors V. Sankar Aiyar & Co., is placed on record as **Annexure-I** (Pg.337-339).

21. The petitioner companies submitted that there are no proceedings/investigation pending against all the petitioner



companies under Sections 210-217, 219, 220, 223, 224, 225, 226 & 227 of the Companies Act, 2013.

- 22.** The petitioner companies submitted that no winding up petition is pending against the petitioner companies under the provisions of the Companies Act, 2013.
- 23.** The petitioner companies declared that there are no proceedings pending under the provisions of Insolvency and Bankruptcy Code 2016 against the petitioner companies.
- 24.** We have heard the Ld. Counsel for the Petitioner Companies, Ld. Deputy Director for the Regional Director, the representative of the Ld. Official Liquidator, the Ld. Counsel for Income Tax Department and perused the record.

25. OBSERVATIONS OF THIS TRIBUNAL

- 25.1** Before advertiring to the reports of the Regional Director, Registrar of Companies, Income Tax Department, Official Liquidator and, we consider it is necessary to summarise the progress of the case before this Tribunal after application was filed seeking approval of the Scheme.

	Filed on	Notice issued on	Service Affidavit filed on	Report/ Response received on	Reserved on	Order pronounced on	Meetings held on
First Motion Application	10.09.2025				18.09.2025	26.09.2025	15.11.2025
Chairman's Report	18.11.2025						



2 nd Motion Petition	27.11.2025	27.11.2025	31.12.2025		13.01.2026	22.01.2026	
RD Office Report/RoC And Petitioner companies' response				09.11.2026			
				13.11.2026			
OL Office Report(s) And Petitioner companies' response				24.12.2025			
				09.01.2026			
Income Tax Report(s) And Petitioner companies' response				30.12.2025			
				09.01.2026			

25.2 The Appointed Date of the Scheme is **01.07.2024**

25.3 The Scheme involves Amalgamation of Dhrangadhara Trading Company Pvt. Ltd. (Transferor Company No.1) and Sahu Brothers Pvt. Ltd. (Transferor Company No.2) with DCW Ltd. (Transferee Company) and their respective shareholders and creditors, with effect from the Appointed Date 01.07.2024.

26. Companies involved in the Scheme

(i) In the Scheme presented in the company petition, Dhrangadhara Trading Company Pvt. Ltd. has been designated as Transferor Company No.1. It had Nil revenue from operations, other income of Rs.



1,13,000/- and profit (Loss) before tax of Rs.-42,100/- during the financial year 2024-2025. The facts show that it is small business company.

- (ii) In the Scheme presented in the company petition, Sahu Brothers Pvt. Ltd. has been designated as Transferor Company No.2. It had Nil revenue from operations, other income of Rs.78,900/- and profit before tax of Rs.(-)20,72,500/- during the financial year 2024-25.

- (iii) In the Scheme presented in the company petition, DCW Ltd. has been designated as Transferee Company. It had revenue from operations of Rs.2,00,034.33 lakhs other income of Rs.2,308.64 lakhs and profit before tax of Rs.4,936.30 lakhs during the financial year 2024-2025. It is a public listed company.

27. Consideration

Paragraph 13 (Pg. 350 to 353) of the Scheme deals with the Consideration of transfer and vesting of the Transferor Companies into the Transferee Company. Annexure K (Pg. 359-380) contains a copy of fairness opinion issued by Seren Capital Pvt. Ltd. and copy of share exchange ratio report issued by CA Harsh Chandrakant Ruparelia recommending share exchange ratio for the proposed scheme of amalgamation. The valuation date is 13.02.2025.

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- 28.** We have gone through the Company Petition, Scheme, Representation/Report of the Regional Director, report of the Registrar of Companies, representations of Official Liquidator in respect of Transferor Companies, reports of Income Tax Department as well as the response of the Petitioner Companies in respect of the Representation/Report of the RD, RoC, OL and Income Tax.
- 29.** On perusal of the aforesaid representations/reports, there are no adverse observations in respect of the petitioner companies and the proposed Scheme.
- 30.** On perusal of the Chairman's reports, it confirms that the equity shareholders of the petitioner companies, secured creditors and unsecured creditors of the petitioner company no.3 have unanimously approved the proposed Scheme.
- 31.** The Transferee Company is a listed company. Copies of the respective No Objection Letters issued by the stock exchanges, are placed on record.
- 32.** During the hearing on 13.01.2026, Ld. Deputy Director for the Regional Director's office and Ld. Counsel for the Income Tax Department submitted that they have no objection to the proposed scheme, in view of the response affidavits and undertaking given by the petitioner companies.

 33. After analysing the Scheme in detail, this Tribunal is of the considered view that the Scheme as contemplated between the Companies seems to be *prima facie* beneficial to the Companies and will not be in any way detrimental to the interest of the shareholders and the creditors of the Companies, upholding the commercial wisdom doctrine as in ***Miheer H. Mafatlal v. Mafatlal Industries Ltd. (1997)***

1 SCC 579. Considering the record placed before this Tribunal and since all the requisite statutory compliances have been fulfilled by the Petitioner Companies, this Tribunal sanctions the proposed Scheme as well as the prayer made therein subject to the findings/directions given in this order. In short, the proposed Scheme provides for Merger of Dhrangadhara Trading Company Pvt. Ltd. (Transferor Company No.1) and Sahu Brothers Pvt. Ltd. (Transferor Company No.2) with DCW Ltd. (Transferee Company) and their respective shareholders and creditors with effect from the Appointed Date 01.07.2024. We have also carefully examined the responses of the Regional Director, ROC, Income Tax Department, and the Official Liquidator on being notices served on them and the replies of the Applicant Companies. We consider none of the responses object to the sanctioning of Scheme and any procedural/technical issue raised by the authorities about the transferor companies will be considered and responded by the transferee company.

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 34. The Learned Counsel for the Petitioner Companies submitted that no investigation proceedings are pending against the Petitioner Companies under the provisions of the Companies Act, 1956 or the Companies Act, 2013, and no proceedings for oppression or mismanagement have been filed before this Tribunal or the erstwhile Company Law Board. Considering the submission of the Petitioner Companies, the Transferee Company will be responsible for all the compliance issues concerning the Business of the Transferor Companies. This Tribunal holds that any non-compliance does not affect the approval of the Scheme, as the statutory/ regulatory authorities are free to take necessary action as per law for any non-compliance.

35. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the petitioner companies.

36. While approving the Scheme as above, it is clarified that this order should not be construed as an order in any way granting approval of any loan assignments and exemption from payment of stamp duty, taxes or any other charges, if any, payment is due or required in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law.

 37. Further, it becomes relevant to discuss that in Company Petition CAA-284/ND/2018 vide Order dated 12.11.2018, the NCLT New Delhi has made the following observations with regard to the right of the Income Tax Department in the Scheme of Amalgamation:

*"taking into consideration the clauses contained in the Scheme in relation to liability to tax and also as insisted upon by the Income Tax and in terms of the decision **in re Vodafone Essar Gujarat Limited v. Department of Income Tax (2013) 353 ITR 222 (Guj)** and the same being also affirmed by the Hon'ble Supreme Court and as reported in (2016) 66 taxmann.com374 (SC) from which it is seen that at the time of declining the SLPs filed by the revenue, however stating to the following effect vide its order dated April 15,2015 that the Department is entitled to take out appropriate proceedings for recovery of any statutory dues from the Petitioner or transferee or any other person who is liable for payment of such tax dues, the said protection be afforded is granted. With the above observations, the petition stands allowed and the scheme of amalgamation is sanctioned.*

38. **THIS TRIBUNAL DO FURTHER ORDER**

- i) The Scheme of Amalgamation annexed as **Annexure 'J'**, to the Company Petition is hereby sanctioned and it is declared that same shall be binding on the Petitioner Companies and its Shareholders and Creditors and all concerned under the Scheme.
- ii) The Appointed Date for the Scheme shall be **01.07.2024**
- iii) The petitioner Transferor Companies, viz., Dhrangadhara Trading Company Pvt. Ltd. and



Sahu Brothers Pvt. Ltd. shall be dissolved without winding up.

- iv) The approval of the Scheme will not be foreclosing the right of the Income Tax Department to take any decision as per the provisions of the Income Tax Act, 1961, against the Petitioner Companies. The final Income Tax demands in the case of Transferor Companies, if any, shall be paid by the Transferee Company.
- v) The approval of the Scheme does not affect the authorities' right to proceed with pending cases, if any, against the Petitioner Companies.
- vi) All the properties rights and powers of the Undertakings of the Transferor Companies and all the other property, rights and powers of the Transferor Companies be transferred without any further act or deed to the Transferee Company and accordingly the same shall, pursuant to Section 232 of the Act, vest in the Transferee Company for all the estate and interest of the Transferor Companies therein but subject nevertheless to all charges now affecting the same, if any.
- vii) All licenses, permissions, permits, approvals, certificates, clearances, authorities, leases, tenancy, assignments, rights, claims, liberties, special status, other benefits or privileges and any power of

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attorney relating to the Transferor Companies shall stand transferred to and vested in the Transferee Company, without any further act or deed. The Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

- viii) All the liabilities and duties of the Transferor Companies shall be transferred, without further act or deed, to the Transferee Company, and accordingly, the same shall pursuant to Sections 230 & 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company.
- ix) All contracts, agreements, insurance policies, bonds and all other instruments of whatsoever nature or description, of the Transferor Companies, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually against the Transferee Company.
- x) All proceedings, if any, now pending by or against the Transferor Companies shall be continued by or against the Transferee Company.
- xi) All workers / employees of the Transferor Companies shall be deemed to become the workers



/employees of the Transferee Company with effect from the Appointed Date, and shall stand absorbed in the Transferee Company in accordance with the Scheme without any interruption of service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Companies, as on the Effective Date, in compliance with Section 232(3)(g) of the Act and applicable labour laws.

- xii) All taxes paid or payable by the Transferor Companies including existing and future incentives, unveiled credits and exemptions, the benefit of carried forward losses and other statutory benefits, which shall be available to and vest in the Transferee Company, as per the provisions of law. The Tax liability of the Transferor Companies shall become a liability of the Transferee Company, and any proceedings against the Transferor Companies shall continue against the Transferee Company. It is stated that any credit/exemption/relief, etc., as discussed, will be subject to the provisions of the Income Tax Act, 1961.
- xiii) The petitioner companies are directed to comply with the observations of the Regional Director, the Registrar of Companies and the Official Liquidator in their representation. The petitioner companies shall:

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- a) Preserve their books of accounts, papers, and records and not dispose of them without prior permission of the Central Government, as per Section 239 of the Companies Act, 2013.
- b) The sanction of the Scheme shall not absolve the petitioner companies from any statutory liabilities, and all books of accounts, papers, and records shall be preserved as per Section 239 of the Companies Act, 2013, without disposal unless permitted by the Central Government.
- c) File a certified copy of this order with the Registrar of Companies electronically via e-Form INC-28 (in addition to physical copy) within 30 days of receipt of the certified copy, as per Section 232(5) of the Companies Act, 2013.

xiv) The Transferee Company is directed to comply with the observations made by BSE Ltd., NSE India Ltd. in their respective letters as well as SEBI Master Circular(s).

xv) The Transferee Company shall pay the differential fees and stamp duty, if any, on the enhanced authorized share capital after setting off the fees/stamp duty already paid by the Transferor Company, in compliance with Section 232(3)(i) of the Companies Act, 2013.

xvi) **Consideration for Amalgamation (Part-II, Paragraph-13 of the Scheme)**

- (a) Upon coming into effect of the Scheme and in consideration for amalgamation of the Transferor Company 1 with and into the Transferee Company, the Transferee Company shall, without



any further application or deed, issue and allot equity shares of face value INR 2/- each, credited as fully paid up, to all the equity shareholders of the Transferor Company 1 (whose names appear in the register of members as on the Record Date) or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, an equal number of equity shares as the equity shares held by the Transferor Company 1 in the Transferee Company in the following manner:-

“12,80,500 fully paid equity shares of INR 2/- each of DCW to be issued and allotted to the Equity Shareholders of DTCPL, in proportion to their holdings in DTCPL in the event of amalgamation of DTCPL into DCW”.

(b) Upon coming into effect of the Scheme and in consideration for amalgamation of the Transferor Company 2 with and into the Transferee Company, the Transferee Company shall, without any further application or deed, issue and allot equity shares of face value INR 2/- each, credited as fully paid up, to all the equity shareholders of the Transferor Company 2 (whose names appear in the register of members as on the Record Date) or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, an equal number of equity shares as the equity shares held by the Transferor Company 2 in the Transferee Company in the following manner:-

“5,24,59,860 fully paid equity shares of INR 2/- each of DCW to be issued and allotted to the Equity Shareholders of SBPL, in proportion to their holdings in SBPL in the event of amalgamation of SBPL into DCW”.

xvii) The Petitioner Companies are further directed to file a copy of this order along with a copy of the Scheme with



the concerned Registrar of Companies, electronically, along with e-form INC-28 in addition to a physical copy within 30 days from the date of issuance of the certified copy of the Order by the Registry as per relevant provisions of the Act.

- xviii) The Petitioner Companies within thirty days of the date of the receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, on such certified copy being so delivered, the entire Undertakings of the Transferor Companies shall stand transferred to the Transferee Company and the Registrar of Companies shall place all documents relating to the entire Undertakings of the Transferor Companies to the respective files kept by him in relation to the Transferee Company.
- xix) All concerned Authorities shall act on the copy of this order along with the Scheme annexed at "**Annexure-J**" of the Company Petition. The Registrar of this Tribunal shall issue the certified copy of this order within 7 days of from the date of this order.
- xx) The Petitioner Companies are directed to lodge a copy of this Order and the approved Scheme, duly certified by the Registrar of this Tribunal, with the concerned Superintendent of Stamps for adjudication of stamp duty payable, if any, within 30 days from the date of

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this Order, and pay requisite stamp duty within 60 days from the date of adjudication under the Gujarat Stamp Act, 1958 as amended.

- xxi) The legal fees and expenses of the office of the Regional Director are quantified at Rs.50,000/-, to be paid by the Transferee Company.
- xxii) The legal fees and expenses of the office of the Official Liquidator are quantified at Rs.25,000/- in respect of the Transferor Companies. The said fees of the Official Liquidator shall be paid by the Transferee Company.
- xxiii) The Statutory Auditors of the Petitioner Companies are hereby directed to ensure that the Accounting Treatment as a result of this order is carried out in accordance with the provisions of Section 133 of the Companies Act, 2013, and as per the draft treatment as proposed in the Scheme. They are further directed to disclose their observations in this regard in the next Annual Audit Report/Audit Report of the Petitioner Companies in accordance with the certificate dated 13.02.2025 issued by the Statutory Auditors and placed on record.
- xxiv) The Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and if it is found that the Scheme of Merger ultimately results in tax avoidance or is not in accordance with the applicable provisions of Income

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Tax Act, then the Income Tax Department shall be at liberty to initiate appropriate course of action as per law, including under Section 232(3)(h) of the Companies Act, 2013, for any tax liabilities arising from the scheme. Any sanction of the Scheme of Merger under Sections 230-232 of the Companies Act, 2013 shall not adversely affect the rights of Income Tax Department or any past, present or future proceedings and the sanction of the scheme shall not come in its way for the appropriate course of action as per law for the tax liabilities, if any.

xx) Any person aggrieved shall be at liberty to apply to this Tribunal for any directions that may be necessary.

39. Accordingly, Company Petition i.e. **CP(CAA)/58(AHM)2025** in **CA(CAA)/51(AHM)2025**, stands allowed and disposed of in terms of the aforementioned terms.

40. The Registry is directed to send a copy of this order to the Regional Director, the Registrar of Companies, the Official Liquidator, the Income Tax Department, Mumbai, and Principal Chief Commissioner of Income Tax, Ahmedabad within seven days from the date of this order, through e-mail and place proof on the file.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)
SK/GS

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)