



May 09, 2025

To,
Listing Department
NATIONAL STOCK EXCHANGE OF INDIA LIMITED
Exchange Plaza, C/1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
Scrip Symbol: HONASA

To,
Listing Department
BSE LIMITED
P. J. Towers, Dalal Street,
Mumbai – 400 001
Scrip Code: 544014

Dear Sir / Madam,

Sub: Intimation of receipt of order dated 08th May 2025 of the Hon’ble National Company Law Tribunal, Chandigarh Bench (“NCLT Chandigarh”) in Company Petition No. 45/CHD/HRY/2024 connected with Company Application No. 21/CHD/HRY/2024 filed in relation to the Scheme of Amalgamation (“Scheme”) between Fusion Cosmeceutics Private Limited (“Transferor Company-1”) and Just4Kids Services Private Limited (“Transferor Company-2”) with Honasa Consumer Limited (“Transferee Company”) and their respective shareholders and creditors under the provisions of Sections 230-232 of the Companies Act, 2013 and other applicable provisions thereof.

In relation to the above-cited subject, we would like to inform you that the Hon’ble NCLT Chandigarh vide order dated 08th May 2025 in relation to the Scheme of Amalgamation under Company Petition No. 45/CHD/HRY/2024 connected with Company Application No. 21/CHD/HRY/2024 has pronounced the order and hence allowed the above second motion petition filed by Transferor Company-2.

The copy of the said order dated 08th May 2025 passed by the Hon’ble NCLT Chandigarh is enclosed herewith.

The Scheme is now subject to the approval of the Hon’ble National Company Law Tribunal, New Delhi (“NCLT Delhi”) where the registered office of both the Transferor Company-1 and Transferee Company is situated. In this regard, we would like to inform you that both the Transferor Company-1 and Transferee Company have filed a company petition before the Hon’ble NCLT Delhi for sanctioning the Scheme of Amalgamation between the Transferor Company-1 and Transferor Company-2 with Transferee Company. The above-mentioned second motion petition is pending adjudication before the Hon’ble NCLT Delhi.

Honasa Consumer Limited

Registered Office: Unit No - 404, 4th Floor, City Centre, Plot No 05, Sector-12, Dwarka New Delhi 110075

Corporate Office: 10th & 11th Floor, Capital Cyberscape, Ullahwas, Sector-59, Gurugram, Haryana - 122102

Email: info@mamaearth.in; Phone: 011 - 44123544 | Website: www.honasa.in

| CIN: L74999DL2016PLC306016 |



The Scheme would become effective once the certified copy of the order of both the Hon'ble NCLTs is filed with the jurisdictional Registrar of Companies.

We request you to take the above information on record.

Thanking you,

**Yours Sincerely,
For Honasa Consumer Limited**

**Dhanraj Dagar
Company Secretary & Compliance Officer**

Honasa Consumer Limited

Registered Office: Unit No - 404, 4th Floor, City Centre, Plot No 05, Sector-12, Dwarka New Delhi 110075

Corporate Office: 10th & 11th Floor, Capital Cyberscape, Ullahwas, Sector-59, Gurugram, Haryana - 122102

Email: info@mamaearth.in; Phone: 011 - 44123544 | Website: www.honasa.in

| CIN: L74999DL2016PLC306016 |



**NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH
CORPORATE BHAWAN, PLOT NO.4-B
GROUND FLOOR, SECTOR- 27-B, MADHYA MARG
CHANDIGARH-160019**

Ref: NCLT/Chd/Reg/ 109

Dated: 08/05/25

CP (CAA) No. 45/Chd/Hry/2024

(2nd Motion)

U/s 230-232, CA 2013

In the matter of:

Just4kids Services Pvt. Ltd.

...Transferor Company

And

Honasa Consumer Ltd.

...Transferee Company

To,

Just4kids Services Pvt. Ltd.

10th and 11th Floor, Capital Cyberscape,

Ullahwas, Sector 59, Gurgaon, Haryana-122102.

Please find enclosed herewith a certified copy of order dated 08.05.2025 for your information and necessary action.

(P.K. Tiwari)

Designated Registrar
NCLT, Chandigarh Bench
vs

Encl: Copy of order.



NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH COURT-I

COMPANY PETITION NO. (CAA) 45/CHD/HRY/2024
IN
COMPANY APPLICATION NO. (CAA) 21/CHD/HRY/2024

IN THE MATTER OF COMPOSITE SCHEME OF AMALGAMATION:

M/S JUST4KIDS SERVICES PRIVATE LIMITED

10th and 11th Floor, Capital Cyberscape,
Ullahwas, Sector 59, Gurgaon, Haryana - 122102
PAN: AACCCJ4055B.
Through its authorized representative,
Mr. Dhanraj Dagar,
CIN: U80302HR2010PTC107239

...Petitioner Transferor Company

AND

M/S FUSION COSMECEUTICS PRIVATE LIMITED

Unit 404, 4th Floor, City Centre, Plot No 05,
Sector 12, Dwarka, New Delhi - 110075
PAN: AAACF8299H.
Through its authorized representative,
Mr. Dhanraj Dagar,
CIN: U24230DL2003PTC423473

... Non-Petitioner Transferor Company No. 1

AND

M/S HONASA CONSUMER LIMITED

Unit 404, 4th Floor, City Centre, Plot No 05,
Sector 12, Dwarka, New Delhi - 110075
PAN: AADCH9716L
Through its authorized representative,
Mr. Dhanraj Dagar,
CIN: L74999DL2016PLC306016

... Non-Petitioner Transferee Company

Order Delivered on: 08.05.2025

Section: 230-232 of the Companies Act, 2013.

CORAM:

SH. HARNAM SINGH THAKUR, HON'BLE MEMBER (J)

SH. SHISHIR AGARWAL, HON'BLE MEMBER (T)



PRESENT

For the Petitioner Companies: Mr. Deepak Suri, Mr. K V Singhal,
Mr. Sanjeev Jain, Advocates
For the RD : Mr. Krishan Paul Dutt, Advocate
For the OL : Mr. Edward Augustine George, Advocate
For the Income Tax Dept. : Mr. Yogesh Putney, Senior Standing
Counsel

ORDER

PER: SH. HARNAM SINGH THAKUR, M(J) & SH. SHISHIR AGARWAL, M(T)

The captioned petition for second motion is preferred by the Petitioner Transferor Company under Section 230 to 232 of the Companies Act, 2013 read with the Companies (Compromise, Arrangements, and Amalgamations) Rules, 2016 for approval of the Composite Scheme of Amalgamation (hereinafter referred to as '**Scheme**'), as contemplated between the Companies and its Shareholders. A copy of the Scheme has been placed on record as Annexure P-1 in the Petition.

2. Just4kids Private Limited (hereinafter, referred to as "**the Petitioner Transferor Company**"), having CIN U80302HR2010PTC107239 issued from the Registrar of Companies "RoC" of Delhi and Haryana, is a company incorporated on 3rd June 2010, under the Companies Act, 1956. The Petitioner Transferor Company's registered office is at 10th and 11th floor, Capital Cyberscape, Ullahwas, Sector 59, Gurgaon, Haryana - 122102. The Petitioner Transferor Company is presently engaged in operation and maintenance of a multilingual content platform.



3. Fusion Cosmeceutics Private Limited (hereinafter, referred to as “**the Non-Petitioner Transferor Company No. 1**”), having CIN U24230DL2003PTC423473 issued from the Registrar of Companies “RoC” of Delhi and Haryana, is a company incorporated on 30th June 2003, under the Companies Act, 1956. The Non-Petitioner Transferor Company No. 1’s registered office is at Unit 404, 4th Floor, City Centre, Plot No 05, Sector 12, Dwarka, New Delhi - 110075. The Non-Petitioner Transferor Company No. 1 is presently engaged in the formulation and trading of skin care products.

4. Honasa Consumer Limited (hereinafter referred to as “**the Non-Petitioner Transferee Company**”), having CIN L74999DL2016PLC306016 issued from the Registrar of Companies “RoC” of Delhi and Haryana, is a company incorporated on 16th September 2016 under the provisions of the Companies Act, 2013. The Non-Petitioner Transferee Company has its registered office at Unit 404, 4th Floor, City Centre, Plot No 05, Sector 12, Dwarka, New Delhi - 110075. The Non-Petitioner Transferee Company is in the business of trading of a variety of beauty and personal care products such as baby care, skin care and other related products which are manufactured through third-party contract manufacturers under the brand name of 'Mamaearth', 'The Derma Co.', 'BBlunt', 'Aqualogica', and 'Ayuga'.

5. The Petitioner Transferor Company and the Non-Petitioner Transferor Company No. 1 shall be collectively referred to as the “**Transferor Companies**”. The Non-Petitioner Transferor Company No. 1 and the Non-Petitioner Transferee Company shall be collectively referred to as the “**Non-Petitioner Companies**”. The Registered office of Petitioner Transferor



Company is in Gurugram, Haryana, therefore, the jurisdiction lies with this Bench. The Registered offices of Non-Petitioner Companies are in Dwarka, New Delhi, therefore the jurisdiction lies with the National Company Law Tribunal, New Delhi.

6. From the record, it is seen that the Petitioner Transferor Company filed the First Motion Application CA(CAA) No. 21/CHD/HRY/2024 seeking directions for dispensation/convening of the meetings of the shareholders and creditors of Petitioner Transferor Company and this Tribunal vide Order dated 22nd August 2024, dispensed with the meeting of Equity Shareholders, Series A Preference Shareholders and Series A1 Preference Shareholders in view of the 100% consents provided by the respective shareholders and since there were no Debenture Holders, Secured Creditors or Unsecured Creditors of the Petitioner Transferor Company, the requirement for conveying the meeting for the same did not arise.

7. Thereafter, the Petitioner Transferor Company filed Company Application 217/CHD/HRY/2024 for amendment of the Scheme including modification of the "Appointed Date" mentioned in the Scheme from 01st April 2023 to 01st May 2023. As part of the above company application, the Petitioner Transferor Company placed on record the consents of the Equity Shareholders, Series A Preference Shareholders and Series A1 Preference Shareholders of the Petitioner Transferor Company with respect to the proposed changes in the Scheme as Annexure A, Annexure B and Annexure C of the Company Application 217/CHD/HRY/2024, respectively.



8. Therefore, in view of the 100% consents provided by the Equity and Preference Shareholders of the Petitioner Transferor Company and there being no Debenture Holders and Creditors of the Petitioner Transferor Company, this Tribunal vide order dated 04th April 2025 allowed the Company Application 217/CHD/HRY/2024 for amendment of the Scheme including change in "Appointed Date" from 01st April 2023 to 01st May 2023.

9. Consequently, the "Appointed Date" as per Clause 1.3 under Part I (Definitions) of the Scheme (page 72 of the Petition) is 01.05.2023.

10. Later, the Second Motion petition was moved by the Petitioner Transferor Company and the Non Petitioner Companies in connection with the Scheme for issuance of notices to the (i) Central Government through the RD (Northern Region), MCA, New Delhi; (ii) ROC, Delhi and Haryana, New Delhi; (iii) Income Tax Department through the concerned Nodal Officer, and (iv) the jurisdictional Official Liquidator (attached to Punjab and Haryana High Court) (v) Drugs Controller General of India, Ministry of Health and Family Welfare (vi) Securities and Exchange Board of India (vii) BSE Limited (viii) National Stock Exchange of India Limited.

11. Directions were issued, vide Order dated 13th December 2024 of this Tribunal, requiring the Petitioner Transferor Company to serve notice upon the concerned statutory authorities and carry out necessary publication concerning the said Scheme in "*Business Standard*" (English) and "*Jansatta*" (Hindi) newspapers, both in Delhi NCR Edition. In compliance with the above-stated directions, the Petitioner Transferor Company has duly filed Affidavit of Service on 16th January 2025 vide Diary Number 03144/10, confirming



that the aforesaid Notices of Hearing of the present Company Petition were published in the “*Business Standard*” (English) on 6th January 2025 and “*Jansatta*” (Hindi) on 2nd January 2025.

12. On issuance of notice, the Income Tax Department filed its report dated 03 March 2025, diary no. 03144/12 in relation to the Petitioner Transferor Company, which containing observations as reproduced below:

13	Details of proceedings pending against amalgamating company	In the case of M/s. Just4kids Services Private Limited (PAN- AACCJ4055B) (Applicant Transferor Company).. Following Proceedings are pending. <table><tr><th>S.NO.</th><th>Particulars</th><th>A.Y.</th></tr><tr><td>1.</td><td>143(1)(a)</td><td>2017-18</td></tr><tr><td>2.</td><td>143(1)(a)</td><td>2018-19</td></tr></table>	S.NO.	Particulars	A.Y.	1.	143(1)(a)	2017-18	2.	143(1)(a)	2018-19
S.NO.	Particulars	A.Y.									
1.	143(1)(a)	2017-18									
2.	143(1)(a)	2018-19									
14	Details of tax demand pending for recovery	There is no demand pending in the case of M/s. Just4kids Services Private Limited (PAN- AACCJ4055B) (Applicant Transferor Company).									

15	Remarks about objection to the scheme or any representation to NCLT to protect the interest of Revenue.	The Department/revenue reserves the right to initiate and/or continue proceedings under the Income Tax Act, 1961. Further, department/revenue reserves its right to recover demand payable by the company. It is requested, the Hon'ble National Company Law Tribunal would be pleased to kindly direct that: (i) All the compliances under Income Tax Act, 1961 shall be made by the Transferee company after the appointed date. (ii) All the tax liabilities and the pending appeals and proceedings under the Income Tax Act shall be enforced and continued against the Transferee Company.
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Considering the above facts and the indemnity bond submitted by the assessee, NOC is granted

From the report (ibid), it is observed that there is no demand pending against the Petitioner Transferor Company and further no objection has been raised



by the Income Tax Department as regards to the Petitioner Transferor Company.

13. The Regional Director (RD) filed its Report dated 24th March 2025, diary no 03144/13 containing certain observations in relation to the Petitioner Transferor Company. The observations of the RD are reproduced below:

11. That as per Para 29 of the report dated 13.02.2025, the observations of the Registrar of Companies, NCT of Delhi & Haryana are as follows:

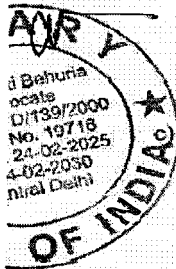
a) On perusal of the scheme of amalgamation, it is seen that 'appointed date' of the scheme is 01.05.2023. As per the Ministry of Corporate Affairs General Circular No 09/2019 dated 21.08.2019, if the 'appointed date' is significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest. Hence the company may be asked to clarify the same.

b) As per clause 3.1 of the scheme of amalgamation, the scheme shall become effective from the effective date. However, as per section 232(6) of the Companies Act, 2013, the scheme shall be effective from the appointed date. Hence, the company may be asked to comply with the legal provision.

In case of Transferor Companies, auditor has stated in the audit report for the FY ended 31.03.2023, that the company has incurred cash losses in the current year of Rs. 1685.09 Lacs and Rs. 1345.14 Lacs and in the previous year of Rs. 996.67 Lacs and of Rs. 582.38 Lacs respectively.

d) In case of Transferee Company auditor has stated in the audit report for the FY ended 31.03.2023, that the company has granted loans and advances to other body corporates. Hence, the company may be asked to ensure the compliances of the provisions of sections 185 and 186 of the Companies Act, 2013.

e) The Transferee Company may kindly be directed to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 regarding fee payable of its revised Authorized Share Capital.





The Petitioner Transferor Company filed their affidavit in reply to the RD report vide Diary No. 03144/14 dated 17th March 2025. The response on behalf of the Petitioner Transferor Company are reproduced below:

4.4. As stated in paragraph 11(a) of the RD Affidavit read with paragraph 29(1) of the RoC Report, the observations of the Ld. RoC and RD are extracted as follows:

"11(a). On perusal of the scheme of amalgamation, it is seen that 'appointed date' of the scheme is 01.05.2023. As per the Ministry of Corporate Affairs General Circular No 09/2019 dated 21.08.2019, if the 'appointed date' is significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest. Hence the company may be asked to clarify the same."

i. The RD Affidavit refers to the General Circular No 09/2019 (F. No. 7/12/2019/CL-1) dated 21.08.2019 ("MCA Circular") issued by the Ministry of Corporate Affairs (copy attached as Annexure-1).

ii. In terms of Paragraph 6(c) of the MCA Circular, it is stated that:

"Where the 'appointed date' is chosen as a specific calendar date, it may precede the date of filing of the application for scheme of merger/amalgamation in NCLT. However, if the 'appointed date' is significantly ante-dated beyond a year from the date of filing, the justification for the same would have to be specifically brought out in the scheme and it should not be against public interest"

NOTA





- iii. It is submitted that in Clause 1.3 of the Scheme, the Appointed Date has been mentioned as 01st May, 2023 which is a specific calendar date. The Petitioner Transferor Company filed the Company Application C.A. (CAA) 21/CHD/HRY/2024 ("1st Motion Application") on 28th April 2024, which is within a period of 1 year from the Appointed Date.
- iv. Therefore, the Petitioner Transferor Company submits that the Appointed Date is not ante-dated beyond a year from the date of filing of the 1st Motion Application. To this extent, no justification for the same is required to be provided by the Petitioner Transferor Company.
- v. In view of the above, the Petitioner Transferor Company has already complied with the requirement as per the general circular no. 09/2019 dated 21.08.2019 issued by the Ministry of Corporate Affairs. Accordingly, the above observation does not have any adverse implication on the subject scheme of amalgamation.

4.5. As stated in paragraph 11(b) of the RD Affidavit read with paragraph 29(2) of the RoC Report, the observations of the Ld. RoC and RD are extracted as follows:

"11(b). As per clause 3.1 of the scheme of amalgamation, the scheme shall become effective from the effective date. However, as per section 232(6) of the Companies Act, 2013, the scheme shall be

effective from the appointed date. Hence, the company may be asked to comply with the legal provision."

- i. It is submitted that in relation to the query raised, the definition of "appointed date" and "effective date" as mentioned in the Scheme have been reiterated as follows:

PART-I: DEFINITION, INTERPRETATION AND SHARE CAPITAL

1.3. "Appointed Date" means the date from which the provisions of this Scheme shall become operational i.e., opening of business hours on 01st May 2023 or such other date as may be assented to and approved by the Board of Directors of the Companies and approved by the Tribunal;



1.9. "Effective date" shall mean the last of dates on which the conditions set out in clause 16 of this Scheme are satisfied or waived in accordance with this Scheme. Any reference in Scheme to the words "upon the Scheme becoming effective" or "date of coming into effect of the Scheme" or "Scheme coming into effect" shall mean the Effective Date

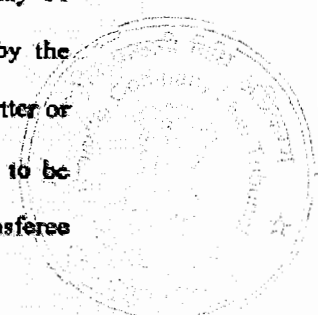
3. Date of Taking Effect and Operative Date

3.1 The Scheme set out herein in its present form submitted to the Tribunals or this Scheme with such modification(s), if any, as may be made by the members and/or the creditors of the Companies or such modification(s) as may be imposed by any Government Authority and/or directed to be made by the Tribunals while sanctioning the Scheme and as accepted by the respective Board of Directors of the Companies shall be

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operative from the Appointed Date but shall be effective from the Effective Date.

- ii. It is submitted that, as detailed above, on occurrence of the Effective Date (i.e. the date on which the certified copy of the order of Hon'ble Tribunal is filed with the Registrar of Companies) and with effect from the Appointed Date (i.e. 01st May 2023, as mentioned in the Scheme), the entire business and undertaking of the Petitioner Transferor Company and Non-Petitioner Transferor Company No. 1 shall, in terms of Section 230-232 and other applicable provisions of the Act and Rules, and other provisions of applicable law, as may be relevant, subject to the sanctioning of the Scheme by the Tribunal, without any further act, instrument, deed, matter or thing, stand transferred and vested in and/or deemed to be transferred and vested in the Non-Petitioner Transferee Company as a going concern.





iii. Therefore, as envisaged in the Scheme, the Petitioner Transferor Company clarifies that the implementation of the provisions of the Scheme would become operative/effective only from the Appointed Date in terms of Section 232(6) of the Act, and not from the Effective Date.

iv. Accordingly, the above observation does not have any adverse implication on the subject scheme of amalgamation.

4.6. As stated in paragraph 11(c) of the RD Affidavit read with paragraph 29(3) of the RoC Report, the observations of the Ld. RoC and RD are extracted as follows:

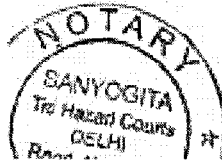
"11(c) In case of Transferor Companies, auditor has stated in the audit report for the FY ended 31.03.2023, that the company has incurred cash losses in the current year of Rs. 1685.09 Lacs and Rs 1345.14 Lacs and in the previous year of Rs. 996.67 Lacs and of Rs. 582.38 Lacs respectively"

i. It is important to bear in mind that the present Scheme is between the wholly owned subsidiaries and their parent company, therefore, any negative balance in the profit and loss account of the Petitioner Transferor Company and Non-Petitioner Transferor Company No. 1 has already been factored in the consolidated balance sheet of the Non-Petitioner Transferee Company. The Non-Petitioner Transferee Company, being a listed company, has always presented consolidated financials to its shareholders for approval.



- ii. In addition to the above, it is pertinent to note that in the matter of *Satva Jewellery and Design Limited (CP (CAA) No.4/Chd/HP/2021)*, this Hon'ble Tribunal held that:

"A Scheme of Amalgamation involving a loss-making company is neither barred nor impermissible and both the Transferor and Transferee Companies belong to the same group and as per the Preamble of the Scheme, the



Boards of both the companies have decided to amalgamate the companies in order to achieve the objectives as stated in the scheme"

- iii. It is further submitted that while the Petitioner Transferor Company and the Non-Petitioner Transferor Company No. 1 have incurred losses in the specified period, the net-worth of the Non-Petitioner Transferee Company stands highly positive after considering such losses on the Scheme becoming effective and there would be an excess of assets over the liabilities to the tune of Rs. 10,54,75,30,633/- (Rupees One Thousand Fifty-Four Crore Seventy-Five Lakh Thirty Thousand Six Hundred and Thirty-Three), based on unaudited financial statements of the Non-Petitioner Transferee Company as on 31st December 2023. The original Net worth certificate issued by Lovelesh & Co., Chartered Accountants, showing pre-merger and post-merger of net-worth of the Non-Petitioner Transferee Company has been annexed to the 1st Motion Application at Annexure 24. A copy of the Net-worth certificate has been marked and annexed as Annexure-2.



iv. Additionally, the Scheme does not envisage any compromise or arrangement with the Creditors of the Petitioner Transferor Company and the Non-Petitioner Companies, as all the Creditors will be paid in full as and when their respective amounts fall due in the usual course.

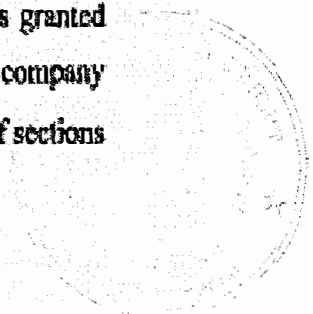


v. In view of the above, the Petitioner Transferor Company and the Non-Petitioner Transferee Company undertake that the interests of the equity shareholders, secured and unsecured creditors of Petitioner Transferor Company and Non-Petitioner Companies shall be protected.

vi. Accordingly, the above observation does not have any adverse implication on the subject scheme of amalgamation.

4.7. As stated in paragraph 29(4) of the RoC Report read with paragraph 11(d) of the RD Affidavit, the observations of the Ld. RoC and RD are extracted as follows:

"11(d) In case of Transferee Company auditor has stated in the audit report for the FY ended 31.03.2023, that the company has granted loans and advances to other body corporates. Hence, the company may be asked to ensure the compliances of the provisions of sections 185 and 186 of the Companies Act, 2013."





i. At the outset, it is submitted that compliance under Section 185 and 186 of the Act is required to be undertaken by the Non-Petitioner Transferee Company and not by the Petitioner Transferor Company. The Non-Petitioner Transferee Company, being under the jurisdiction of Hon'ble National Company Law Tribunal at Delhi ("NCLT Delhi") has filed a separate company petition before the Hon'ble NCLT Delhi seeking approval of the Scheme.

ii. Further, as borne out from the audited financial statements of the Petitioner Transferor Company as of 31st March 2023, it is submitted that the Petitioner Transferor Company neither extended loan to any party nor obtained loan from the Non-Petitioner Transferee Company.

iii. In addition to the above, it is submitted that the Non-Petitioner Transferee Company extended loan to Non-Petitioner Transferor Company No. 1 and another body corporate. In this regard, the Non-Petitioner Transferee Company confirms that the provisions of section 185 and 186 of the Act, as applicable, were duly complied with. Such position was verified and reported by the Statutory Auditor in paragraph (iv) of Annexure 1 to the Independent Auditors Report on the standalone Financial Statements of Non-Petitioner Transferee Company for the year ended March 31, 2023. The statement of the Statutory Auditor has been reproduced below:

"Loans, investments guarantees and security in respect of which provisions of sections 185 and 186 of the Act are applicable have been complied with by the Company."



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- iv. It is further submitted that the Non-Petitioner Transferor Company No. 1 became wholly owned subsidiary of the Non-Petitioner Transferee Company in the month of December

2022 and was a wholly owned subsidiary of the Non-Petitioner Transferee Company as of 31st March 2023.

- v. Further, it is submitted that provisions of Section 185(2) and 186(2) do not apply in case of such related party transactions between wholly owned subsidiaries and parent companies. The relevant provisions are extracted as follows:

Sections 185(3)

"Nothing contained in sub-sections (1) and (2) shall apply to-

(c) any loan made by a holding company to its wholly owned subsidiary company or any guarantee given or security provided by a holding company in respect of any loan made to its wholly owned subsidiary company.

Sections 186(3)

"(3) Where the aggregate of the loans and investment so far made, the amount for which guarantee or security so far provided to or in all other bodies corporate along with the investment, loan, guarantee or security proposed to be made or given by the Board, exceed the limits specified under sub-section (2), no investment or loan shall be made or guarantee shall be given or security shall be provided unless previously authorised by a special resolution passed in a general meeting:

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Provided that where a loan or guarantee is given or where a security has been provided by a company to its wholly owned

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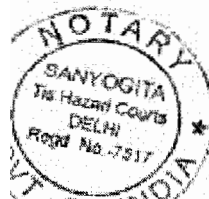
subsidiary company or a joint venture company, or acquisition is made by a holding company, by way of subscription, purchase or otherwise of, the securities of its wholly owned subsidiary company, the requirement of this sub-section shall not apply.

...

In view of the above, it is submitted that the related party transactions were between the Non-Petitioner Transferee Company and its wholly owned subsidiaries, i.e., the Non-Petitioner Transferor Company No. 1 (entered into on or after December 2022) and another body corporate, therefore the provisions of Section 185(2) and 186(2) of the Act were not applicable.

vi. Nonetheless, for the purposes of the related party transactions undertaken between:

- (a) the Non-Petitioner Transferee Company and the Non-Petitioner Transferor Company No. 1 in September 2022 (i.e., when the Non-Petitioner Transferor Company No. 1 was not a wholly owned subsidiary of the Non-Petitioner Transferee Company), the Non-Petitioner Transferee Company has filed form MGT-14 with the RoC pursuant to the Special Resolution dated 30th September 2022. Copies of Form MGT-14 along with payment receipt dated 28th October 2022 as filed



with the RoC and Special Resolution dated 30th September 2022 have been annexed and marked as Annexure-3 (colly).



(b) the Non-Petitioner Transferee Company and the Non-Petitioner Transferor Company No. 1 and Honasa Consumer General Trading LLC in January 2023 (when both of them were wholly owned subsidiaries of the Non-Petitioner Transferee Company), the Non-Petitioner Transferee Company has submitted Form MGT-14 with the Registrar of Companies pursuant to the Board Resolution dated 06th January 2023. Copies of Form MGT-14 along with payment receipt dated 11th February 2023 as filed with the RoC and Board Resolution dated 06th January 2023 has been annexed and marked as Annexure-4 (colly).

vii. Therefore, it is submitted that the Non-Petitioner Transferee Company has complied with the provisions of Section 185 and 186 of the Act. Accordingly, the above observation does not have any adverse implication on the subject scheme of amalgamation.

4.8. As stated in paragraph 11(e) of the RD Affidavit read with paragraph 29(5) of the RoC Report, the observations of the Ld. RoC and RD are extracted as follows:

"11(e). The Transferee company may kindly be directed to comply with the provisions of Section 232 (3) (i) of the Companies Act, 2013 regarding fee payable of its revised Authorized Share Capital"

i. It is submitted that, as regards to the aforesaid observations made in paragraph 29(5) of the RoC Report read with paragraph 11(e) of the RD Affidavit, it is submitted that the Non Petitioner Transferee Company shall comply with the provisions of Section 232(3)(i) of the Act and shall pay the applicable fee, if any as per applicable provisions of the Act, post the combination of the authorized share capital of the Transferor Companies and Non-Petitioner Transferee Company.



14. Thus, we find that the Petitioner Transferor Company has clarified that:
- (i) The Appointed Date of the Scheme is not ante-dated beyond a year rather it is within a year.
 - (ii) As regards to the Scheme being effective from the Appointed Date, the same has been clarified and undertaken by the Petitioner Transferor Company that the Scheme shall be effective from the Appointed Date not from any other subsequent date.
 - (iii) So far as the cash losses incurred by the Transferor Companies, the Petitioner Transferor Company has clarified that the net-worth of the Non-Petitioner Transferee Company stands highly positive after considering such losses and upon the Scheme becoming effective and the Scheme does not envisage any compromise or arrangement with the Creditors of the Petitioner Transferor Company and the Non-Petitioner Companies, as all the Creditors will be paid in full as and when their respective amounts fall due in the usual course.
 - (iv) With regards to the loans and advances granted by the Non-Petitioner Transferee Company, it has been clarified by the Petitioner Transferor Company that the Non-Petitioner Transferee Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 as evidenced by the noting of the Statutory Auditor in paragraph (iv) of Annexure 1 (Vol. 3 of petition) to the Independent Auditors Report on the standalone financial statements of the Non-Petitioner Transferee Company for the year ended March 31, 2023 (attached as Annexure P-12 to the petition).



(v) In relation to the fee(s) payable on its revised Authorized Share Capital, the Petitioner Transferee Company has undertaken that the Non-Petitioner Transferee Company shall pay the applicable fee, if any, as per applicable provisions of the Companies Act, 2013.

Hence, we do not find any material objection raised by the RD in its report.

15. The Official Liquidator also filed its report vide diary no 03144/11 dated 17th February 2025, to the Scheme stating that it has no objection towards the Scheme proposed between the Petitioner Companies. The Report of the Official Liquidator reads thus:

10. **Observations of Official Liquidator:-**

On the basis of the facts in the joint petition, additional information/documents provided by the company, along with the rationale of the Scheme, it is hereby submitted that the office of the Official Liquidator does not have any specific observations/objection.

PRAYER:

In view of the submissions made in preceding paras of this report, the Office of the Official Liquidator most respectfully prays that the matter may kindly be decided on merits by this Hon'ble Tribunal.

16. The Petitioner Transferor Company filed an Affidavit vide diary no 03144/16 dated 17th March 2025 stating that the Petitioner Transferor Company and Non-Petitioner Companies have not received any objections/representations from any party regarding the proposed scheme of amalgamation.



17. Given the preceding facts and discussion and upon considering the approval accorded by the shareholders and creditors of the Petitioner Transferor Company to the Scheme and no sustainable objections having been raised by the Office of the Regional Director (North), Income Tax Department, Official Liquidator, or any other interested party, there does not appear to be any impediment in granting sanction to the Scheme. **Accordingly, the sanction is hereby granted to the Scheme of Amalgamation proposed by the Petitioner Transferor Company under Section 230 to 232 of the Companies Act, 2013.** The Scheme shall be binding on the Petitioner Transferor Company and its shareholders and creditors. The Petitioner Transferor Company shall remain bound to comply with the statutory requirements in accordance with law.

18. Notwithstanding the above, if there is any deficiency found or violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Authority to the Scheme will not come in the way of action to be taken, albeit, in accordance with law, against the concerned persons, directors and officials of the Petitioner Transferor Company.

19. While approving the Scheme as above, it is clarified that this Order should not be construed as an order in any way granting exemption from payment of stamp duty, taxes, or other statutory dues, if any, and payment in accordance with law or in respect to any permission/compliance with any other requirement, which may be specifically required under any law. Further the approval of the Scheme would in no manner affect the tax treatment of the transactions under the Income Tax Act, 1961 or serve as any exemption



or defence for the Petitioner Transferor Company against tax treatment in accordance with the provisions of the Income Tax Act, 1961 and the rules and regulations made thereunder.

20. **THIS TRIBUNAL FURTHER DIRECTS** with respect to Petitioner Transferor Company, that:

- (i) Upon the sanction of the Scheme becoming effective from the appointed date of Amalgamation i.e., 01.05.2023, the Petitioner Transferor Company shall stand dissolved without undergoing the process of winding up.
- (ii) All benefits, entitlements, incentives, and concessions under incentive schemes and policies that the Petitioner Transferor Company is entitled to including Customs, Excise, Service Tax, VAT, Sales Tax, GST and Entry Tax and Income Tax laws, subsidy receivables from Government, grant from any governmental authorities, direct tax benefit/exemptions/ deductions, shall, to the extent statutorily available and along with associated obligations, stand transferred to and be available to the Non Petitioner Transferee Company as if the Non Petitioner Transferee Company was originally entitled to all such benefits, entitlements, incentives, and concessions;
- (iii) All contracts of the Petitioner Transferor Company, which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Non Petitioner Transferee Company and be in full force and effect in favour of the Non Petitioner Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Petitioner Transferor Company, the Non Petitioner Transferee Company had been a party or beneficiary or obliged thereto;



- (iv) All the employees of the Petitioner Transferor Company shall be deemed to have become the employees and the staff of the Non Petitioner Transferee Company with effect from the Appointed Date, and shall stand transferred to the Non Petitioner Transferee Company without any interruption of service and on the terms and conditions no less favourable than those on which they are engaged by the Petitioner Transferor Company, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits;
- (v) All liabilities of the Petitioner Transferor Company, shall, pursuant to the provisions of section 232(4) and other applicable provisions of the Company Act, 2013, to the extent they are outstanding as of the Effective Date, without any further act, instrument, or deed stand transferred to and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations etc. as the case may be, of the Non Petitioner Transferee Company and shall be exercised by or against the Non Petitioner Transferee Company as if it had incurred such liabilities.
- (vi) All proceedings now pending by or against the Petitioner Transferor Company be continued by or against the Non Petitioner Transferee Company.
- (vii) The Income Tax department is permitted to pursue recovery in respect of any existing and future tax liabilities of both Petitioner Transferor Company and the Non Petitioner Transferee Company from Non Petitioner Transferee Company as per the provisions of law.
- (viii) Any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.



- (ix) Further, the approval of the Scheme would not come in the way of the statutory authorities like Income Tax Department, etc. to recover their dues, if any, against the Petitioner Transferor Company. The contentions of the parties would be open before the relevant fora where disputes are pending.

21. The Petitioner Transferor Company shall within thirty days of the date of the receipt of this Order or on sanction of the Scheme, whichever is later, 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, the Petitioner Transferor Company shall be dissolved and the Registrar of Companies shall place all documents relating to the Petitioner Transferor Company on the file kept by him about the Non Petitioner Transferee Company and the files relating to both the Petitioner Transferor Company and the Non Petitioner Transferee Company shall be consolidated accordingly.

22. The present Petition CP(CAA) 45/CHD/HRY/2024 is allowed and disposed of accordingly.

Sd/-

(SHISHIR AGARWAL)
MEMBER (T)

May 08, 2025

Japneet



Sd/-

(HARNAM SINGH THAKUR)
MEMBER (J)

DD / DR / AR / Court Officer
National Company Law Tribunal
Chandigarh Bench, 15th Floor, 15th Floor
Chandigarh, Punjab - 160022

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