

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH - II, CHENNAI

CP(CAA)/8 (CHE)/2025

in

CA(CAA)/50(CHE)/2024

(Filed under Sections 230 to 232 of the Companies Act, 2013)

In the matter of Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective Shareholders.

1. **Dalmia Bharat Sugar and Industries Limited,**

A company incorporated under Companies Act, 1913,
having its registered office at,
Dalmiapuram, District Tiruchirappalli,
Tamil Nadu – 621 651

... 1st Petitioner / Demerged Company

2. **Dalmia Bharat Refractories Limited,**

A company incorporated under Companies Act, 1956,
having its registered office at,
Dalmiapuram, District Tiruchirappalli,
Tamil Nadu – 621 651

... 2nd Petitioner / Resulting Company

Order Pronounced on 12th September 2025

CORAM

JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)

RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)

Present: -

For Petitioner(s)

: Mr. Pawan Jhabakh , Advocate



ORDER

(Hearing Conducted though Hybrid Mode)

This Company Petition has been filed jointly by **Dalmia Bharat Sugar and Industries Limited** ("for brevity demerged Company"), **Dalmia Bharat Refractories Limited** ("for brevity Resulting Company") under Section 230-232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity 'the Rules') for approval of the Scheme of Amalgamation (hereinafter referred to as the 'SCHEME') pursuant to the Scheme proposed by the Petitioner Companies and the said Scheme is also filed along with all the Petitions and is marked as **ANNEXURE A1**.

2. An affidavit in support of the present petition sworn and effected by **Rachna Gorla, D/o Late Dr. Kaushal Kishore Siddh, and Soumya Sharma, D/o Mr. Hemant Sharma** for Petitioner companies in the capacity of Authorised Signatory and the same is annexed along with the petition.

3. 1ST MOTION APPLICATION – IN BRIEF

3.1. The Petitioner Companies jointly filed the First Motion Applications vide CA(CAA)/50(CHE)/2024 and sought directions for dispensation or conducting the meeting of its shareholders:

	EQUITY SHAREHOLDERS	PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
DEMERGED COMPANY	To convene the meeting	NA	To convene the meeting	To convene the meeting
RESULTING COMPANY	To convene the meeting	To dispense the meeting	To dispense the meeting	To convene the meeting





3.2 Based on the submissions, this Tribunal vide order dated 20.12.2024 issued directions to conduct meeting of equity shareholders of demerged company and the resulting company, secured and unsecured creditors of the demerged company and unsecured creditors of the resulting company.

3.3 **Mr. BSV Prakash Kumar**, was appointed as the Chairperson for the above meetings. The Chairman filed his report dated 15.02.2025. On perusing the report it is noticed that in the meeting stated above the respective equity shareholders of demerged company and the resulting company, secured and unsecured creditors of the demerged company and unsecured creditors of the resulting company, with requisite majority accorded their consent to the Scheme. Thereafter, the second motion petition was filed before this Tribunal by the petitioner companies for approval of the Scheme by this Tribunal which is within limitation as per provisions of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

4. SCHEME SUMMARY:

The Scheme provides for the Arrangement of **Dalmia Bharat Sugar and Industries Limited** ("for brevity demerged Company"), **Dalmia Bharat Refractories Limited** ("for brevity Resulting Company") and their respective Shareholders. Since, the Demerged Company and the Resulting Company were registered with RoC Chennai, this comes under the jurisdiction of this Tribunal.

RATIONALE OF THE SCHEME

The rationale and objects of the Scheme of Amalgamation are briefed in Clause-C of the Scheme as follows,

A) The Scheme provides for demerger of DMC Unit and 6T Unit (being non-core businesses of DBSIL) from DBSIL and transfer and vesting of the same to DBRL





which will yield beneficial results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees.

(B) The management of DBSIL is of the view that segregation of the DMC Unit and GT Unit from DBSIL will lead to the following benefits:

- Segregation of non-core businesses from sugar business;
- Efficient and focused management individually on DMC Unit, GT Unit, and sugar business; and
- Increased flexibility for value extraction and fund raise.

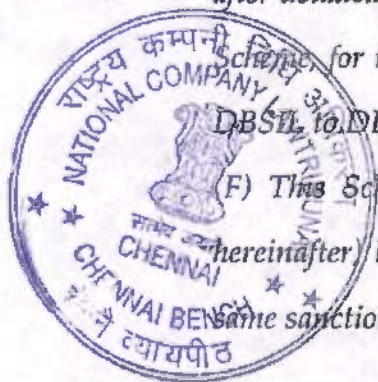
(C) The management of DBRL is of the view that acquisition of the DMC Unit and GT Unit will lead to the following benefits:

- Focus on the refractory operations carried out by the DMC Unit by demerging it from DBSIL for whom this is currently a non-core business.
- Focus on the business as travel agents, tour operators, clearing and forwarding agents and to do all activities ancillary to these activities which are related to GT Unit; and

(D) This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of the Demerged Company and the Resulting Company. In these circumstances, it is considered desirable and expedient to demerge DMC Unit and GT Unit from the Demerged Company to the Resulting Company in the manner and on the terms and conditions stated in this Scheme.

(E) The respective Board of Directors (As defined hereinafter) of DBSIL and DBRL after detailed deliberation in their meetings held on February 02, 2024, approved this Scheme for implementing the proposed demerger of the DMC Unit and GT Unit of DBSIL to DBRL.

(F) This Scheme is proposed to be presented before the Hon'ble NCLT (defined hereinafter) by the Demerged Company and the Resulting Company forgetting the same sanctioned by the Hon'ble NCLT".





In view of the aforesaid, the Board of Directors of the demerged Company as well as the Board of Directors of Resulting Company have considered and proposed the present Scheme of arrangement between the Demerged Company and the Resulting Company. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

6. In the second motion Petition filed by the Petitioner Companies, this Tribunal vide order dated 12.03.2025 directed the Petitioner Companies to issue notice to the Statutory / Regulatory Authorities to the authorities concerned as well as directed to issue paper publication in "Business Standard (English) and Makkal Kural (Tamil)".

7. In compliance with the said directions issued by this Tribunal, the Petitioner Companies have effected paper publications as directed by the Tribunal in "Business Standard" (All India Edition) in English and "Makkal Kural" (Tamil Nadu Edition) in Tamil on 26.03.2025. Notices have been served to

S.No	Statutory authorities	Date of Notice
1.	Regional Director, Southern Region, Chennai.	26.03.2025
2.	Registrar of Companies, Chennai	26.03.2025
3.	The Principal commissioner of Income Tax -1 (Delhi)	28.03.2025
4.	The deputy Commissioner of Income Tax	28.03.2025
5.	Department of corporate services	28.03.2025
6.	National stock exchange of India Limited	28.03.2025





7.	The Calcutta stock exchange Limited	01.04.2025
8.	Metropolitan stock exchange of India Limited	28.03.2025
9.	Securities and Exchange Board of India	28.03.2025

8. In pursuant to the service of the notice, the proof of the same was filed by way of Affidavit of Service dated 22.04.2025 vide SR No: 0718 which has been enclosed as the separate typed set. Pursuant to the service of notice of the petitions the following statutory authorities have responded as under:

9. STATUTORY / REGULATORY AUTHORITIES

9.1. REGIONAL DIRECTOR

9.1.1 The Regional Director (RD), Southern Region to whom the notice was issued has filed their report dated 06.06.2025 before this Tribunal expressed as follows,

"14) The Scheme of Arrangement filed with the application has been examined and the submission made particularly at Para 12 & 13 of the report is placed and pray this Hon'ble Tribunal may dispose of the matter on merits and pass such order / orders as deemed fit and proper."

"12) It is humbly submitted that both the demerged company and resulting company shall undertake to ensure the compliance with the observation made by SEBI/Stock Exchanges".

13) It is submitted that Petitioner Companies shall undertake to comply with the provisions of Section 230 to 232 of the Companies Act, 2013".





9.1.2. In response to the objections raised by the Regional Director (RD), petitioner companies has filed its reply on 09.06.2025, where it has been stated that,

35 We further state that the Board Approved the Scheme of Arrangement (Demerger) on 2nd February 2024 and the Petitioner Companies approached the Stock Exchanges for approval and completed filing application with Stock Exchanges on 22nd February 2024. The approvals of the Stock Exchanges were received by the Petitioner Companies in the months of July and August 2024 only. We therefore state that the filing of the Scheme was well within 1 (One) year of the Appointed Date. We also state that all stakeholders, regulators, creditors, shareholders have approved the Scheme of Arrangement (Demerger) with the Appointed Date of 1st July 2023 and if there is any change in the Appointed Date, there would be severe prejudice caused to the stakeholders. We state that the Regional Director has also not stated that such an Appointed Date would prejudice any stakeholder's interest. We further state that the entire valuation exercise which permits the allotment of shares to the shareholders are and is in accordance with the Appointed Date of 1st July 2023.

5. So far as the observation in paragraph 12, of the Report of the Regional Director is concerned, the Petitioner Companies hereby undertake to ensure the compliance with the observations made by SEBI/ Stock Exchanges.
6. So far as the observation in paragraph 13 of the Report of the Regional Director is concerned, the Petitioner Companies hereby undertake to comply with the applicable provisions of Sections 230 to 232 of the Companies Act, 2013.

9.1.3. Thus, after examining the scheme, except the observations made in Para 14 of the Regional Director Report, the Regional Director in their Report have stated that they have decided not to make any objection to the scheme.



INCOME TAX DEPARTMENT:

9.1.4. Despite private notice having been served vide this Tribunal order dated 28.03.2025 and Public Notice issued in Business Standard (All Indian Edition) in English and Makkal Kural (Tamil Nadu Edition) in Tamil on



26.03.2025, there is no representation from the Department of Income Tax. This Tribunal in terms of Section 230(5) of the Companies Act, 2013 presumes that the Department of Income Tax does not have any objection to the sanction of the Scheme. Deemed Consent. Hence, this tribunal vide order dated 28.08.2025 has forfeited the right to file the Income Tax Report

9.2.2 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 IT 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.com.374(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 transferor 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."

10. ACCOUNTING TREATMENT

The Certificates issued by the Statutory Auditors certifying the Accounting Treatment of the all petitioners companies are in compliance with Section 133 of the Companies Act, 2013 are placed on record.

11. Valuation





The valuation report dated 02.02.2024 of registered valuer Valecs Ecotech Pvt Ltd is placed on record wherein the fair share exchange ratio is arrived as follows,

"The fair Share Exchange Ratio for the proposed Scheme of Arrangement of DMC Unit and GT Unit with DBRL is 1 equity shares of DBRL of INR10 each fully paid up for every 48.18 equity shares of DBSIL of INR 2 each fully paid up".

12. BSE OBSERVATIONS ON DEMERGED COMPANY:

12.1. The BSE vide letter dated 30.07.2024 has observed as follows:

DGS/AMAL/AKR/37/3274/2024-25

July 30, 2024

The Company Secretary,
Dalmia Bharat Sugar and Industries Ltd
Tiruchirappalli,
Dalmiapuram,
Tamil Nadu,
621651

Dear Sir,

Sub: Observation letter regarding the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

We are in receipt of the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 filed Dalmia Bharat Sugar and Industries Ltd as required under SEBI Circular no. GFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS_Div/2/P/CIR/2022/0000007103 dated July 20, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated July 20, 2024 has inter alia given the following comment(s) on the draft scheme of reduction:

- "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall ensure compliance with SEBI circulars issued from time to time."
- "The entities involved in the scheme shall duly comply with the various provisions of the circular and ensure that all the liabilities of the Transferor Company are transferred to Transferee Company."
- "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."





- g. "Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice to shareholders."
- h. "The Companies are advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013.

- Details of Assets, Liabilities, Net worth and revenue of the companies involved pre & post scheme.
- Impact of scheme on revenue generating capacity of the demerged company.
- Need and rationale of the scheme, Synergies of business of the companies involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.
- Value of assets and liabilities of Demerged Company that are being transferred to Resulting Company

- i. "Company shall ensure that applicable additional information, if any to be submitted to SEBI along with the draft scheme of arrangement as per 'Query no.12' dated February 28, 2024 shall form a part of disclosures to shareholders."
- j. "Company is advised that the proposed equity shares to be issued in the terms of the 'Scheme' shall be mandatorily in demat form only."
- k. "Company is advised that the 'Scheme' shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- l. "No changes to the draft scheme except those mandated by the regulatory authorities / tribunals shall be made without specific written consent of SEBI."
- m. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- n. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- o. "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 235(6) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

The company shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.

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- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

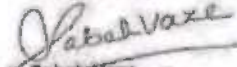
Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be is required to be served upon the Exchange seeking representations or objections if any.

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the

Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,


Sabah Vaze
Senior Manager

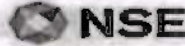

Tanmayi Lele
Assistant Manager

12.2 The petitioner companies are directed to comply with regard to the above comments made by BSE.

13. NSE OBSERVATIONS ON DEMERGED COMPANY:

13.1 The NSE vide letter dated 02.08.2025 has observed as follows:





National Stock Exchange Of India Limited

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Ref: NSE/LIST/40216

August 02, 2024

The Company Secretary
Dalmia Bharat Sugar and Industries Limited
11th & 12th Floors, Hansalaya
15, Barakhamba Road,
New Delhi – 110001

Kind Attn.: Ms. Aashlima V Khanna

Dear Madam,

Sub: Observation Letter for Draft Scheme of Arrangement Between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders (under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013).

We are in receipt for Draft Scheme of Arrangement Between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders (under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013) vide application dated February 22, 2024.

Based on our letter reference no. NSE/LIST/40216 dated June 12, 2024, submitted to SEBI pursuant to SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 read with 94(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), SEBI vide its letter dated July 29, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.
- The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.
- The Company shall ensure compliance with the SEBI circulars issued from time to time.
- The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.
- The Company shall ensure that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.
- The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.
- The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the Shareholders.
- The Companies involved in the Scheme shall ensure to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval in 230 to 232 of the Companies Act 2013:
 - Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme.
 - Impact of Scheme on revenue generating capacity of Demerged Company.
 - Need and rationale of the scheme, synergies of business of the companies involved in the scheme, impact of the scheme on the shareholders and cost benefit analysis of the scheme.
 - Value of assets and liabilities of Demerged Company that are being transferred to the Resulting Company.
- The Company shall ensure that all the applicable additional information shall form part of disclosure to shareholders, which was submitted by the Company to the Stock Exchanges as per Annexure M of Exchange checklist.
- The Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.
- The Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.
- The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.

This Document is Unpublished



CP(CAA)/8(CHE)/2025 in CA(CAA)/50(CHE)/2024

In the matter of Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective Shareholders

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- m) The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations in the notice of NCLT.
- n) The Company shall ensure to comply with all the applicable provisions under the Companies Act, 2013 and the rules and regulations issued thereunder, including obtaining the consent from the creditors for the proposed scheme.
- o) It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(3) of Companies Act, 2013 to SEBI again for its comments / observations / representations.

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(3) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

The Listed entities involved in the proposed Scheme shall disclose the No-Objection Letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from August 02, 2024, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Khyati Vidwans
Senior Manager

13.2 The petitioner companies are directed to comply with regard to the above comments made by NSE.

14. CSE OBSERVATIONS ON RESULTING COMPANY:

14.1 The CSE vide letter dated 13.08.2025 has observed as follows:





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The Calcutta Stock Exchange Ltd.

7, Lyons Range, Kolkata - 700 001
Phone : +91 33 4025 3000, Fax : +91 33 4025 3030 / 3017
Website : www.cse-india.com, E-mail : cseadmin@cse-india.com
CIN: U67120WB1923PLC004707

Ref No. CSE/DR/16359/2024

August 13, 2024

The Company Secretary
DALMIA BHARAT REFRACTORIES LIMITED
Calmapuram, Dist. Tiruchirappalli,
Tamil Nadu, India

Dear Sir,

Subj: Observation letter regarding the Composite Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited (DBSIL) (Demerged Company) with Dalmia Bharat Refractories Limited (DBRL) (Resulting Company).

We are in receipt of the composite Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited (DBSIL) (Demerged Company) with Dalmia Bharat Refractories Limited (DBRL) (Resulting Company) as required under SEBI Circular No. CFD/DIL/3/CIR/2017/21 dated March 10, 2017, SEBI vide its e-mail dated August 13, 2024 has inter alia given the following comment(s) on draft Scheme of Arrangement:

- Company shall ensure to disclose all the details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any against the Company, its promoters and directors before Honble NCLT and shareholders, while seeking approval of the Scheme.
- Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, from the date of receipt of this letter is displaying on the websites of the listed company and the stock exchanges.
- "Company shall ensure compliance with the SEBI circulars issued from time to time".
- Company shall duly comply with various provisions of the Circulars and ensure the liabilities of Transferee Company are transferred to the Transferee Company.
- Company shall ensure that information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridge prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice to proposed accompanying resolution to be passed, which is sent to the shareholders for seeking approval.
- Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.
- Company shall ensure that the details of the proposed Scheme under consideration as provided by the company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders.
- Company is advised to disclose the (i) details of assets, liabilities, revenue of the companies involved in the scheme, both pre and post scheme of arrangement, (ii) assets, liabilities revenue and net worth of the demerged undertaking along with a write up on the history of the demerged undertaking and latest net worth certificate along with statement of assets and liabilities of both demerged company and resulting company for both pre and post the scheme of arrangement, (iii) Comparison of revenue and net worth of demerged undertaking with the total revenue and net worth of the listed/demerged entity in last three financial years and (iv) the need, rationale and synergies of the scheme along with its impact on the shareholders of demerged company as submitted by company. The shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter.





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The Calcutta Stock Exchange Ltd.

7, Lyons Range, Kolkata - 700 001
Phone : +91 33 4025 3000, Fax : +91 33 4025 3030 / 3037
Website : www.cse-india.com, Email : cseadrn@cse-india.com
CIN: U67120WB1923PLC004707

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- Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be demat form only.
- Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the Scheme document.
- Company shall ensure that no changes to the draft scheme except those mandated by the regulators / authorities / tribunals shall be made without specific written consent of SEBI.
- Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the companies are obliged to bring the observations to the notice to NCLT.
- Company is advised to ensure that applicable additional information submitted to Stock Exchanges and SEBI while processing the scheme and as advised by SEBI vide email dated September 21, 2022, shall form part of disclosure to the shareholders.
- It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments / observations on draft scheme by SEBI / Stock Exchanges. Hence the companies are not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.

Accordingly, based on aforesaid consent offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observation with limited reference to those matters having a bearing on listing / de-listing / continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further where applicable in the explanatory statement of the notice to be sent by the company to the shareholders while seeking approval of the scheme it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (LODR) Regulation, 2015, the validity of this Observation Letter shall be Six Months from the date of this Letter. Within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

Yours faithfully,

For THE CALCUTTA STOCK EXCHANGE LTD.

14.2 The petitioner companies are directed to comply with regard to the above comments made by CSE.

15. MSE OBSERVATIONS ON RESULTING COMPANY:

15.1 The MSE vide letter dated 30.07.2025 has observed as follows:





MSEI/LIST/2024/652

July 30, 2024

The Company Secretary and Compliance Officer,
DALMIA BHARAT REFRACTORIES LIMITED.
Dalmiapuram, Dalmiapuram,
Tamil Nadu, India, 621651.

Dear Sir/ Madam,

Sub.: Observation letter regarding the Scheme of Amalgamation/ Arrangement between Dalmia Bharat Sugar and industries Limited (DBSIL) (Demerged Company) with DALMIA BHARAT REFRACTORIES LIMITED (DBRL) (Resulting Company).

Kind Attention: - Ms. Meghna Saini – Company Secretary and Compliance Officer.

This is in reference to the draft scheme of Arrangement filed by DALMIA BHARAT REFRACTORIES LIMITED in terms of SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- The Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.
- The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the website of the listed company and the stock exchange.
- The entities involved in the Scheme shall duly comply with various provisions of the circular issued from time to time.
- The Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.
- The Company is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.





- The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 month old.
- The Company is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.
- The company is advised to submit applicable additional information, if any, to be submitted to exchange along with draft scheme of arrangement shall form part of disclosures to the shareholders.
- The Company is advised that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.
- The Company is advised that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.
- No changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.
- The Company is advised that the observations of SEBI/ Stock Exchange shall be incorporated in the petition to be filed before National Company Law Tribunal ("NCLT") and the company is obliged to bring the observations to the notice of NCLT.
- The Company is advised to comply with the all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.
- It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/ observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under Section 230(5) of the Companies Act, 2013, to SEBI again for its comments/ observations/ representations.

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To comply with various provisions of the said SEBI circulars.

In the light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/ de listing/ continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017, if any.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to NCLT.

The Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.



The petitioner companies are directed to comply with regard to the above comments made by MSE.

16. OBSERVATIONS OF THIS TRIBUNAL

- 16.1. This Tribunal is of the view that the scheme as contemplated amongst the petitioner companies seems to be *prima facie* not, in any way detrimental to the interest of the members of the Company. In view of the absence of any material objections from any statutory authorities and since all the requisite statutory compliances have been fulfilled, this Tribunal sanctions the Scheme of Arrangement as well as the prayer made therein.
- 16.2. Notwithstanding the above, if there is any deficiency found or, the 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 the law, against the concerned persons, directors and officials of the petitioners.
- 16.3. 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 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.

17. THIS TRIBUNAL DO FURTHER ORDER:

- (i) That all properties, rights and powers of Demerged undertaking be transferred without further act or deed to the Resulting Company and accordingly the same shall pursuant to Section 232 of the Companies Act, 2013 be transferred to and vested in the Resulting Company for all intents, purposes and interest of the Demerged undertaking subject nevertheless to all changes now affecting the same; and





- (ii) That all the rights, liabilities, properties, title and interest of the **Demerged Company** shall pursuant to Section 232(3) of the Companies Act, 2013 without further act or deed be transferred to the Resulting Company and accordingly the same become the rights, liabilities, properties, title and interest of the Resulting Company.
- (iii) That in so far as any assets comprised in the Remaining Undertaking, are secured, charged, hypothecated or mortgaged in respect of liabilities of the remaining undertaking of the **Demerged Company**, without any further act, instrument or deed be modified to the extent that all such assets shall stand released and discharged from the obligations and security relating to the same and the securities, charges, hypothecation and mortgages shall only extend to and continue to operate against the assets transferred to Resulting Company.
- (iv) That any statutory licenses, permissions or approvals or consents held by Demerged Company required to carry on operations of the Demerged Undertaking shall stand vested in or transferred to Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Resulting Company.



That the Appointed date for the Scheme shall be 1st July 2023 as mentioned in clause 1.3 of part I the SCHEME itself. Further the Appointed date is within one year from the date of filing of Application.



- (vi) That the Resulting Company shall without further application allot to such members of the Demerged Company, as have not given such notice of dissent, as is required by Clause 11 the Scheme herein the shares in the Resulting Company to which they are entitled under the said Scheme
- (vii) That all proceedings now pending by or against the Demerged undertaking shall be continued by or against the Resulting Company including but not limited to Income Tax Act ;
- (viii) That contracts, deeds, bonds, agreements and other instruments relating to the Demerged Company shall continue in full force and effect against or in favour of Resulting Company and may be enforced effectively by or against Resulting Company.
- (ix) That all the services of all the employees of the Demerged Company employed in the Demerged undertaking shall stand transferred to the Resulting Company on the same terms and conditions at which these employees are engaged by the Demerged Company without any interruption of service as a result of the transfer; and
- (x) That the Resulting Company shall file the revised Memorandum and Articles of Association with the concerned Registrar of Companies and further make the requisite payments of the differential fee (if any) for the enhancement of authorized capital of the Resulting Company after setting off the fees paid by the Demerged Company.





(xi) That the Demerged Company and the Resulting Company, shall within thirty days of the date of 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, the Demerged Company shall be deemed to transferred.

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

18. Accordingly, the Company Petition stands **Allowed** on the aforementioned terms and is disposed of.



Certified to be True Copy

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RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)

JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)

NATIONAL COMPANY LAW TRIBUNAL	
CHENNAI	
Order No. / Date :	CP/CAA/8/2025 in CA/CAA/50/2024
Certified Copy made	25/09/2025
Available on :	25/09/2025
Applied for Certified	On 24-09-2025
Copy (Applicant / Respondent)	25-09-2025
Certified for	25-09-2025

C. A Applicant Pawan Jhabakh

R. Sreemathi
25/09/2025
JOINT REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
CORPORATE BHAVAN, 3rd FLOOR,
25 RAJAJI SALAI, CHENNAI-600 011