

## DLF LIMITED

DLF Gateway Tower, R Block,  
DLF City Phase – III, Gurugram – 122 002,  
Haryana (India)  
Tel.: (+91-124) 4396000, [investor-relations@dlf.in](mailto:investor-relations@dlf.in)



2<sup>nd</sup> February 2022

To, The General Manager Dept. of Corporate Services <b>BSE Limited</b> P.J. Tower, Dalal Street, Mumbai 400 001	To, The Vice-President <b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400051
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Dear Sir,

**Sub: Intimation under Regulation 30 of the  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This has a reference to our letter dated 25<sup>th</sup> September 2018 regarding intimation under Regulation 37(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in regard to the Scheme of Arrangement ('Scheme'), involving merger/ demerger of wholly-owned subsidiary companies namely DLF Phase-IV Commercial Developers Limited, DLF Real Estate Builders Limited, DLF Residential Builders Limited (Transferor Companies) and demerger and Transfer/ Vesting of real estate undertaking of DLF Utilities Limited (Demerged Company) with DLF Limited (Transferee Company) pursuant to Section 230-232 and other relevant provisions of the Companies Act, 2013 read with the Rules made thereunder.

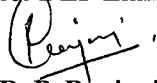
In this regard, this is to inform you that the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench vide its Order dated 2<sup>nd</sup> February 2022, has approved the above-mentioned Scheme with the Appointed Date of the Scheme as 01.04.2021.

This is to further inform you that considering the amalgamation of wholly owned subsidiaries of DLF Limited, there would be no effect in the Issued, Paid-up and Listed Capital of the Company.

A copy of the said Order is attached herewith for your record & reference.

Thanking you,

Yours faithfully,  
for **DLF Limited**

  
**R. P. Punjani**  
Company Secretary

Encl.: As above

For Stock Exchange's clarifications, please contact:- 1. Mr. R. P. Punjani – 09810655115 / <a href="mailto:punjani-rp@dlf.in">punjani-rp@dlf.in</a> 2. Mr. Raju Paul – 09999333687 / <a href="mailto:paul-raju@dlf.in">paul-raju@dlf.in</a>
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**THE NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH, CHANDIGARH**  
*(through web-based video conferencing platform)*

**CP (CAA) No.14/Chd/Hry/2020  
(2<sup>ND</sup> Motion)**

**Under Sections 230-232 of the  
Companies Act, 2013**

**In the matter of Scheme of Arrangement of:**

**DLF Phase-IV Commercial Developers Limited**

having its registered office at  
2<sup>nd</sup> floor, DLF Gateway Tower, R-Block,  
DLF City, Phase III, Gurugram-122002  
(PAN: AABCD8499G)  
CIN: U45201HR2002PLC075613

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

**DLF Real Estate Builders Limited**

having its registered office at  
2<sup>nd</sup> floor, DLF Gateway Tower, R-Block,  
DLF City, Phase III, Gurugram-122002  
(PAN: AACCD9979L)  
CIN: U70200HR2008PLC075593

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

**DLF Residential Builders Limited**

having its registered office at  
2<sup>nd</sup> floor, DLF Gateway Tower, R-Block,  
DLF City, Phase III, Gurugram-122002  
(PAN: AACCD9575E)  
CIN: U45200HR2008PLC075592

....Petitioner Company No.3/Transferor Company No.3

**DLF Utilities Limited**

having its registered office at  
3<sup>rd</sup> Floor, Shopping Mall, Arjun Marg,  
Phase-I, DLF City,  
Gurugram, Haryana-122002  
(PAN: AACN3199A)  
CIN: U01300HR1989PLC030646

.....Petitioner Company No.4/Demerged Company

AND

**DLF Limited**

having its registered office at  
3<sup>rd</sup> Floor, Shopping Mall, Arjun Marg,  
Phase-I, DLF City,  
Gurugram, Haryana-122002  
(PAN: AACD3494N)  
CIN: L70101HR1963PLC002484

....Petitioner Company No.5/Transferee Company

Judgement delivered on: 02.02.2022

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)  
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

**Present through Video Conferencing: -**

For the Petitioner Companies: 1) Dr. U.K. Chaudhary, Senior Advocate  
2) Mr. Praveen Gupta, Advocate

For Income Tax Department: 1) Mr. Yogesh Putney, Advocate Senior  
Standing Counsel

**Per: Subrata Kumar Dash, Member (Technical)**

**JUDGEMENT**

This is a joint Second Motion Petition filed by the Petitioner Companies namely; DLF Phase-IV Commercial Developers Limited (Transferor Company No.1), DLF Real Estate Builders Limited (Transferor Company No.2), DLF Residential Builders Limited (Transferor Company No.3), DLF Utilities Limited, (Demerged Company) and DLF Limited (Transferee Company) for the sanction of Scheme of Arrangement (for brevity 'Scheme') under Sections 230-232 of the Companies Act, 2013 (for short to be referred hereinafter as the '**Act**') in terms of Rule 16 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (for brevity, 'Rules').

2. The Petitioner Companies filed First Motion Application bearing CA(CAA) No.39/Chd/Hry/2018 seeking directions for dispensing with the meetings of Equity shareholders, Secured and Unsecured Creditors of all the Applicant Companies, of Preference Shareholders of Applicant Company No.2, of Secured Debenture Holders and Compulsorily Convertible Debenture Holders of Applicant Company No.5.

3. The First motion application was disposed of vide order dated 07.06.2019, with directions to dispense with the meetings of shareholder and secured creditors of the Applicant Company No.1 to 4, of unsecured creditors of Applicant Company No.1 to 3 and to convene the meetings of equity shareholders, secured creditors and unsecured creditors of the Applicant Company No.5 and of unsecured creditors of Applicant Company No.4. Thereafter, the applicant companies have approached NCLAT seeking dispensation of Meetings in Applicant Companies and in terms of the order dated 19.08.2019 passed by the Hon'ble NCLAT, the Applicant Companies filed CA No.741 of 2019 praying for the passing of necessary orders. Further vide order dated 21.11.2019, the meetings of Unsecured Creditors of Applicant Company No.4 and Equity Shareholders, Secured and Unsecured Creditors of Applicant Company No.5 are also dispensed with certain other directions. Their meetings were being dispensed with subject to strict compliance with the conditions laid down in the said order. In compliance of order dated 21.11.2019, the Applicant Company No. 4 & 5 have filed compliance affidavit vide Diary No 505 Dated 20.01.2020.

4. The main object, date of incorporation, authorized and paid-up share capital and the rationale of the Scheme have been discussed in detail in the order dated 07.06.2019.

5. In the second motion petition proceedings, certain directions were issued by this Tribunal vide order dated 18.09.2020 and the same were complied by an affidavit of compliance filed vide diary No.00814/1 Dated 09.11.2020. The petitioner companies have made newspaper publications in "Financial Express" (English) and "Jansatta" (Hindi) both Delhi/NCR Edition on 20.10.2020 and the

original copies of the newspapers were attached as Annexure-A1 to the aforesaid affidavit. It was also stated in the affidavit filed vide Diary No.00814/1 dt.09.11.2020 that copies of notices were served upon the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, Registrar of Companies, N.C.T. of Delhi and Haryana, Official Liquidator attached to High Court of Punjab and Haryana, Income Tax Department, through Nodal Officer-Principal Chief Commissioner of Income Tax Aaykar Bhawan, Sector-17E, Chandigarh, Bombay Stock Exchange Limited (B.S.E.), National Stock Exchange of India Limited (NSE), Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) and The Directorate of Town and Country Planning, Haryana for the Petitioner Company No.5/Transferee Company. Copies of the covering letter showing duly receipt of notices along with speed post have been attached as Annexure-A2 of the affidavit.

6. It has also been deposed in the aforesaid affidavit that pursuant to publications made on 20.10.2020 neither the petitioner companies nor their counsel received any objections relating to the present Scheme from any stakeholders on the general public at large, till date.

7. In response to the abovementioned notices, the statutory authorities have furnished their replies.

#### 7.1 Registrar of Companies(RoC)/Regional Director

The Registrar of Companies (RoC) has filed its report along with the report of the Regional Director (RD) by diary No.00814/3 dated 07.01.2021 before this Tribunal and has stated that paragraph 7 of Section F speaks about the accounting treatment of the assets and liabilities of the Demerged Company (Petitioner Company No.4 to the

Transferee Company) and para 8 of Section-F speaks about reduction of the share capital of the Demerged Company, whereas the Scheme is silent about details of assets and liabilities to be transferred to and vested in the Transferee Company on the approval of the Scheme. The Report of RoC is found attached as Annexure-B of the report of RD wherein it has been stated that no inquiry is pending against any of the petitioner companies. It is also stated that the Transferee Company is a listed company. The RoC has not made any adverse observation to the extent of the proposed Scheme of Arrangement.

- 7.2 In reply to the same, the Petitioner Companies have filed an affidavit vide Diary No.00814/7 dated 13.10.2021 and has stated that the statement of assets and liabilities annexed as Annexure-E in the report of RD/RoC can be made part of the Scheme. The Petitioner Companies have no objection if the said statement is made part and parcel of the Scheme. The Petitioner Companies further submits that the details of the properties of the Demerged Company, which are being transferred to the Transferee Company pursuant to the Scheme are already detailed in the Schedule I annexed to the Scheme which forms part and parcel of the records of this Hon'ble Tribunal.

## 8. Official Liquidator

- 8.1 The Official Liquidator has filed his report vide Diary No.00814/2 dated 23.11.2020. The relevant part of the report is extracted below:

The Official Liquidator has observed In respect of Petitioner Company No. 1, 2 and 3 that:

1. There are no legal proceedings against Petitioner Company No. 1, 2 and 3.
2. The Petitioner Company No. 1, 2 and 3 did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.
3. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Petitioner Company No. 1, 2 and 3.

8.2 The Official Liquidator has observed In respect of Petitioner Company No. 4 that the company has not been dissolved without winding up. It is further observed in respect of all petitioner companies that there is no investigation or proceedings under Section 206 to 229 of Companies Act, 2013 or under Section 235 to 251 of Companies Act, 1956 is pending against any of the companies involved in the scheme. Thus, the Official Liquidator has made no adverse observation against the petitioner companies.

## 9. Income Tax Department

9.1 The Income Tax Department filed its report vide Diary No.08142/5 dated 04.02.2021 and vide Diary No.00814/10 dated 06.01.2022 and has stated that in respect of the Transferor Company No.1, 2, 3 and Demerged Company. It is stated that demand of Rs.33,320/- and Rs.40,140/- are pending for the Assessment Year 2010-2011 of Transferor Company No.1. Apart from the aforesaid demands, no

demand is outstanding with respect to any other company involved in the proposed Scheme of Arrangement. The Income Tax Department has not filed its report qua the Petitioner Company No.5. A sufficient time has been granted to Income Tax Department but the report has not been filed, it is presumed that the department has nothing material to observe in this case.

9.2 In response to the report filed by Income Tax Authorities, the petitioner companies have filed an additional affidavit vide Diary No.00814/8 dated 02.12.2021 and submitted that the Transferee Company undertakes to discharge/take care of all its liabilities/proceedings including income tax liabilities/proceedings, if any, in accordance with law. The Transferee Company also undertakes on behalf of other Petitioner Companies, to discharge/take care of all liabilities/proceedings including income tax liabilities/proceedings, if any, in accordance with law. It is further submitted that carry forwarding of accumulated losses in the Petitioner Companies, if any, shall be subject to applicable provisions of Income Tax including Section 72A and Section 79 of the Income Tax Act, 1961. The Scheme, ipso facto, will not grant any immunity to any of the companies involved in the Scheme qua any liabilities including income tax liabilities that are due and payable in accordance with law and the same shall be discharged by the Transferee Company in accordance with the law.

9.3 As It is apparent from the above discussions, the liabilities towards Income Tax Department exist in the Petitioner company No 5. In this



context, it is clarified that this Tribunal is not shutting out the legitimate interest of the income-tax authorities to recover the lawful dues payable by the transferor companies and the transferee company is not being dissolved, and the scheme provides the savings in relation to the liabilities as well, the rights of the tax authorities remain intact, and they can proceed against the transferee company in accordance with the law, if any amount is found due and payable. The Hon'ble National Company Law Appellate Tribunal also in the Ad2Pro Global Creative Solutions P. Ltd. v. Regional Director, (S.E.R.), Ministry of Corporate Affairs MANU/NL/0469/2019 : [2019] 217 Comp Cas 443 (NCLAT), in Company Appeal (AT) No. 98 of 2019, in relation to the dues of the income-tax has held in paragraph 7 as follows (page 449):

*"Admittedly, proceedings are pending in appeal before the Income-tax Appellate Tribunal and depending upon the outcome of such proceedings. The transferee company has undertaken to satisfy all demands emanating from and raised by the competent tax authorities. The scheme having been approved and sanctioned and the same being in consonance with law, no fault can be found with the transferee's undertaking to satisfy all demands raised by the tax authorities as finally determined by due process. The appellants are justified in maintaining that the tax liabilities would be satisfied by the transferee as determined by the competent forum seized of the matter in accordance with the approved scheme, which admittedly does not come in conflict with any express provision of the Companies Act, 2013. The legitimate interests of the concerned tax authorities have been lawfully protected, and their right to recover the tax dues as determined by the Income-tax Appellate Tribunal or any other competent forum as the case may remain intact."*

9.4 Further, in Company petition C.A.A. No. 284/ND/2018 vide order dated November 12, 2018, the National Company Law Tribunal, 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 Vodafone Essar Gujarat Ltd. v. DIT MANU/GJ/0794/2012 : [2013] 176 Comp Cas 7 (Guj); [2013] 353 ITR 222 (Guj) and the same being also affirmed by the Hon'ble Supreme Court and as reported in Department of Income-tax v. Vodafone Essar Gujarat Ltd. [2015] 190 Comp Cas 105 (S.C.); [2015] 373 ITR 525 (S.C.); [2016] 66 taxmann.com. 374 (S.C.) from which it is seen that at the time of declining the S.L.P.s 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. The certificate of the Statutory Auditors with respect to the Scheme between Applicant-Companies to the effect that the accounting treatment proposed in the Scheme is in compliance with applicable Indian Accounting Standards (Ind AS) as specified in Section 133 of the Act, read with rules thereunder and other Generally Accepted Accounting Principles was filed as Annexure A-22 of the application with the first motion application and the same is recorded in para 41 of the order dated 07.06.2019.

11. The Petitioner Companies have also filed an affidavit vide Diary No.00814/9 dated 09.12.2021 to modify the Appointed Date of Scheme from 01.10.2017 to 01.04.2021. In the said affidavit, it is clarified that the Income Tax Assessments of DLF Phase-IV Commercial Developers Limited, DLF Real Estate Builders Limited, DLF Residential Builders Limited and DLF Utilities Limited have been completed up to AY 2020-21 (FY 2019-20). The Transferee Company i.e. DLF Limited, income tax assessments have been completed till

AY 2019-20 (FY 2018-19) and the assessment for AY 2020-21 (FY 2019-20) is underway under a faceless regime. Under Income Tax law, there is no provision to file revise tax return electronically or manually once assessments are completed or fixed for the assessment. It may be noted that for AY 2021-22 (FY 2020-21), the accounts have been finalized and Income Tax Return is to be filed by 15.02.2022. Since, the Appointed Date of the Scheme is 01.10.2017, it will not be practically possible to give effect to the Scheme of Arrangement from the period 01.10.2017 to 31.03.2021 both in accounts and tax. As such a change in the appointed date has a bearing on the Income tax liabilities of the Petitioner Companies involved, a further notice was issued to the Income Tax Department on 09.12.2021 for their observation on the issue. The Income Tax Department has filed no objection with regard to the change of "Appointed Date" in the proposed Scheme of Arrangement vide Diary No.00814/10 dated 06.01.2022 qua Petitioner Company No 1, 2 and 3. However, no report in respect of Petitioner Company No. 4 and 5 was received. Considering the lapse of time in the matter, it is presumed that there is no objection to the proposed Scheme of Arrangement.

12. The petitioner companies have also issued notices to Bombay Stock Exchange Limited (B.S.E.), National Stock Exchange of India Limited (NSE), Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) and The Directorate of Town and Country Planning, Haryana and Copies of notices issued are attached as Annexure- A2 of Diary No 001184/2 dated 02.03.2021. However, there is no reply from the concerned authorities till now. Considering the lapse of time in the matter, it is presumed that there is no objection to the proposed Scheme of Arrangement.

13. We have heard the learned Senior Counsel for petitioner companies and learned Senior Standing Counsel for the Income Tax Department and perused the record carefully.

14. In the context of the above discussion, the Scheme contemplated between the petitioner companies, appears to be prima facie in compliance with all the requirements stipulated under the relevant sections of the Companies Act, 2013. In the absence of any objections before us and since all the requisite statutory compliance have been fulfilled, this Tribunal sanctions the scheme of arrangement appended as “Annexure-A1” with the company petition.

15. Notwithstanding the submission that no investigation is pending against the petitioner companies, 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. 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 the properties, rights and powers of the Transferor Company No 1,2 and 3 and Demerged Company be transferred, without further act or deed, to the Transferee Company and accordingly, the same shall pursuant to Sections 230 to 232 of the Companies Act, 2013, be

transferred to and vested in the Transferee Company for all the estate and interest of the Transferor Company but subject nevertheless to all charges now affecting the same;

- (ii) That all the liabilities and duties of the Transferor Company No. 1, 2 and 3 and Demerged Company be transferred, without further act or deed, to the Transferee Company and accordingly the same shall pursuant to Sections 230 to 232 of the Companies Act, 2013, be transferred to and become the liabilities and duties of the Transferee Company;
- (iii) That the Appointed Date for the scheme shall be 01.04.2021 ;
- (iv) That the proceedings, if any, now pending by or against the Transferor Company No. 1, 2 and 3 be continued by or against the Transferee Company;
- (v) That the employees of the Transferor Company No. 1,2 and 3 shall be transferred to the Transferee Company in terms of the 'Scheme';
- (vi) That the authorized share capital of the Transferee Company shall stand increased by vesting the authorised share capital of the Transferor Company No. 1, 2 and 3 and Petitioner Company No. 4/Demerged Company without any further act or deed;
- (vii) That the Transferee Company shall, without further application, allot to the existing members of the Transferor Company No. 1, 2 and 3 and Demerged Company, shares of Transferee Company to which they are entitled under the said Scheme of Arrangement;
- (viii) The statement of assets and liabilities annexed as Annexure-E of RD/RoC report vide Diary No.00814/7 dated 13.10.2021 be made part of

the Scheme of Arrangement as undertaken by Petitioner Companies, if not done in the original scheme.

- (ix) That the fee, if any, paid by the Transferor Company No. 1, 2 and 3 on its authorized capital shall be set off against any fees payable by the Transferee Company on its authorized capital subsequent to the sanction of the 'Scheme';
- (x) That the Transferee Company And Demerged 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 transferee company; after setting off the fees paid by the transferor company;
- (xi) That any person interested shall be at liberty to apply to the Tribunal in the above matter for any directions that may be necessary;
- (xii) That the Transferee Company shall deposit an amount of ₹1,00,000/- (One Lakh Only) in favour of "The Company Law Tribunal Bar Association" Chandigarh within a period of four weeks from the date of receipt of the certified copy of this order;
- (xiii) That the Petitioner Companies shall, within 30 days after the date of receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration in prescribed form and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up. The concerned Registrar of Companies shall place all documents relating to the Transferor Company registered with him on the file relating to the said

Transferee Company, and the files relating to the Transferor Company and Transferee Company shall be consolidated accordingly, as the case may be.

18. The Petitioner Companies shall to file the Schedule of Assets of the Transferor Companies in the form as prescribed in the Schedule of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within three weeks from the date of receiving a copy of this order.

19. All the concerned Regulatory Authorities to act on a copy of this order annexed with the Scheme duly authenticated by the Registrar of this Bench.

20. The certified copy of this order, if applied for, be supplied to the parties, subject to compliance with all requisite formalities.

21. The Company Petition (CAA) No.CP (CAA) No.14 of 2019 is disposed of accordingly.

Sd/-  
(Subrata Kumar Dash)  
Member (Technical)

Sd/-  
(Harnam Singh Thakur)  
Member (Judicial)

February 02, 2022

AV