



October 10, 2022

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400023.

Scrip Code: 532926

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

Scrip Code: JYOTHYLAB

Sub.:- Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Update on Amalgamation of Jyothy Fabricare Services Limited (Transferor Company) with Jyothy Labs Limited (Transferee Company)

Dear Sir,

In continuation to our letter dated September 12, 2022 and pursuant to Regulations 30 and 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the Scheme of Amalgamation of Jyothy Fabricare Services Limited (Transferor Company) and Jyothy Labs Limited (Transferee Company) as filed with the Hon'ble National Company Law Tribunal, Mumbai Bench is enclosed. We further wish to inform you that the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated October 7, 2022 has dispensed with the requirement of holding meetings of the equity shareholders and creditors of the Transferee Company i.e. Jyothy Labs Limited. A copy of the said Order dated October 7, 2022 is enclosed.

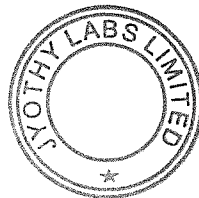
Kindly take the above on your record and disseminate the same for the information of investors.

Thanking you,

Yours faithfully,

For **Jyothy Labs Limited**

Shreyas Trivedi
Head- Legal & Company Secretary



Encl.: as above

Exhibit - E

S-10

SCHEME OF AMALGAMATION

(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)

OF

JYOTHY FABRICARE SERVICES LIMITED
("TRANSFEROR COMPANY")

AND

JYOTHY LABS LIMITED
("TRANSFeree COMPANY ")

For Jyothy Fabricare Services Limited

M. K. W. A.

Company Secretary

For Jyothy Labs Limited

Shreyas P.

Shreyas Trivedi
Head- Legal & Company Secretary

A. PREAMBLE

This Scheme is presented as an integrated and complete Scheme of Amalgamation of Jyothy Fabricare Services Limited (hereinafter referred to as "the Transferor Company") with Jyothy Labs Limited (hereinafter referred to as "the Transferee Company") under Chapter XV pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and the rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force).

B. DESCRIPTION OF THE COMPANIES

(a) Jyothy Fabricare Services Limited ("the Transferor Company")

Jyothy Fabricare Services Limited, ("the Transferor Company") (CIN: U17120MH2008PLC180246) is a public company, incorporated under the provisions of the Companies Act, 1956 (and an existing Company under the provisions of the Companies Act, 2013) on 18th March, 2008 and having its registered office at Ujala House, Ram Krishna Mandir Road, Kondivita Andheri (East), Mumbai 400059 Maharashtra, India. The shares of the Transferor Company are not listed on any Stock Exchange(s) and it is the Wholly Owned Subsidiary of the Transferee Company. The Transferor Company is engaged in the business of laundry and dry-cleaning services. The Transferor Company became a wholly owned subsidiary of the Transferee Company on 8th September, 2022.

The main objects of the Transferor Company are –

- (i) To carry on the business of electric, steam and general laundry and to wash, clean, purify, scour, bleach, dry-clean, starch, darn, calender, wring, dry, iron, color, dye, disinfect, polish, mothproof, renovate, prepare for use of all articles of wearing apparel, clothes, upholstery, curtains, carpets, bed spreads, quilts, bed sheets, blankets, duvets, and such other fabrics and cloths made of linen, cotton, rexine, silk, artificial silk, leather, jute, woolen, synthetic materials, other man-made fibres and fabrics of all kinds and however made or manufactured and to buy, purchase, sell, store, hire, manufacture, prepare, let or hire, treat and deal in all apparatus, machine, materials, and things, which are capable as being used for any of the aforesaid purpose in India or abroad.
- (ii) To establish, own, run, promote, conduct, conduct through franchise outlets, install and maintain collection and delivery centres, cleaning shops, places, factories, agencies and to carry on in India or abroad the business as launderers, dry cleaners, dyers and washer men in all its branches for all

For Jyothy Fabricare Services Limited

M. P. T. W. A.

Company Secretary

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For Jyothy Labs Limited

Shreyas Trivedi

Shreyas Trivedi
Head- Legal & Company Secretary

kinds of cloths, garments, costumes, fabrics, wearing apparels and clothes made of cotton, woolen, silk, jute, linen, rexine, leather, jute, woolen, other man-made fibres, synthetic materials or such other materials and / or any combination thereof.

(b) Jyothy Labs Limited (“the Transferee Company ”)

Jyothy Labs Limited, (“the Transferee Company”) (CIN: L24240MH1992PLC128651) is a public company, incorporated under the provisions of the Companies Act, 1956, (and an existing Company under the provisions of the Companies Act, 2013) on 15th January 1992, having its registered office at Ujala House, Ram Krishna Mandir Road, Kondivita, Andheri (East), Mumbai - 400059, Maharashtra, India. The equity shares of the Transferee Company are listed on BSE Limited and the National Stock Exchange of India Limited and are traded freely. The Transferee Company is engaged in manufacturing and marketing of fabric care, dishwashing, personal care and household insecticides products.

The main object of the Transferee Company is –

- (i) To set up and carry out Research and Development for the manufacture and development of soaps, soap powders, liquid whiteners, whitening agents, white washing aids, hygiene products and allied items.
- (ii) To carry on the business as manufacturers, producers, processors, makers, inventors, converters, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in all kinds and varieties of products used for or as personal care including soap, perfumes, toothpaste, tooth brush and other substances, cream, powders, shaving products like cream, gel, foam, brush, blades, blade cartridges, razors and the like; fabric care including detergents of all forms, soap, soap chips, soap powder, fabric whitener, fabric softeners, starches and cleaning and laundry machines, dishwashing products and scouring agents; dish washing machines; air care; hair care including shampoos, conditioners, hair oil, cream and gel, hair dyes; nail care; eye care; household cleansers including bath and toilet cleansers, glass cleansers, cleaning and rinsing agents, sanitation products and systems for measuring, control and dispensing; carpet care; furniture and kitchen care; shoe care; insecticides in all forms/substances including household insecticides, mosquito and insect repellants, rats and reptile repellants and

For Jyothy Fabrics Limited

MATILWA

Company Secretary

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For Jyothy Labs Limited

Shreyas Trivedi

Shreyas Trivedi
Head- Legal & Company Secretary

dispensing products; plant care and plant protection; surface care including disinfectants, rinsing, cleaning, decreasing and disinfecting agents, decreasing and pickling agents, dispensing, cleaning and disinfecting equipment; metal surface treatment products; car care including cooling lubricants; water treatment and building maintenance; cosmetic and beauty products; ayurvedic / herbal products and mineral water, foods, beverages and dairy products."

C. RATIONALE FOR THE SCHEME OF AMALGAMATION:

The reasons and circumstances leading to and justifying the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company, which make it beneficial for all concerned, including the members of Transferor and Transferee Company, are as follows:

- a. The Transferor Company and the Transferee Company are companies within the same group of companies ("Group"). A consolidation of the Transferor Company and the Transferee Company by way of amalgamation would therefore lead to a more efficient utilization of capital and create a stronger base for future growth of the amalgamated entity.
- b. The Transferor Company is in the business of laundry and dry-cleaning services and whereas the Transferee Company is in the business of manufacturing of fabric care, dishwashing, personal care and household insecticides products. Since both the Companies are operating in complementary/similar line of business, the same can be conveniently combined for mutual benefit and can be carried out more efficiently as one amalgamated entity.
- c. The proposed amalgamation will help pool and combine finances and resources into one consolidated entity which will result in administrative and operations rationalization, organization efficiencies, optimal utilization of various resources, overheads and other expenses and better compliance management.
- d. The proposed amalgamation will help the Transferee Company to achieve financial strength and flexibility aiding in achieving economies of scale, more focused operational efforts, standardization and simplification of business processes and productivity improvements.

For Jyothy Fabricare Services Limited

M. K. J. J.
Company Secretary

For Jyothy Labs Limited

Shreyas Trivedi
Shreyas Trivedi
Head- Legal & Company Secretary

- e. The proposed amalgamation will help the Transferee Company to enhance its reach to serve customers better thereby leading to increased business opportunities and its net worth.
- f. The proposed amalgamation will reduce management overlaps, as two of the Independent Directors of the Transferee Company are the Independent Directors in the Transferor Company, which will improve efficiency in managing companies.
- g. Elimination of multiple entities will help in streamlining the organization structure of the Transferee Company and the proposed amalgamation will prevent cost duplication and will result in synergies in operations which would increase the operational efficiency and integration of business functions.
- h. The proposed amalgamation is commercially and economically viable, feasible, fair and reasonable and is in the interest of the Transferor Company, the Transferee Company and their respective stakeholders.

This Scheme of Amalgamation is divided into the following parts:

1. **Part A** deals with the Definitions;
2. **Part B** deals with the capital structure of the Transferor Company and the Transferee Company;
3. **Part C** deals with date of taking effect and operative date;
4. **Part D** deals with the Amalgamation of the Transferor Company with the Transferee Company;
5. **Part E** deals with accounting treatment for the Amalgamation in the books of Transferee Company;
6. **Part F** deals with general terms and conditions that would be applicable to the Scheme;
7. **Part G** deals with other terms and conditions applicable to the Scheme.

In addition to the above, the Scheme also provides for various other matters consequential or otherwise integral to it.

For Jyothy Fabricare Services Limited

MAIWA
Company Secretary

For Jyothy Labs Limited

Shreyas Trivedi
Shreyas Trivedi
Head- Legal & Company Secretary

PART A - DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- A-1.** “**Act**” or “**the Act**” shall mean the Companies Act, 2013 the rules and regulations made thereunder and will include any statutory modification(s), re-enactment(s) or amendment(s) thereto, from time to time; (to the extent notified on the relevant date);
- A-2.** “**Appointed Date**” shall mean **1st October 2022** or such other date(s) as the National Company Law Tribunal at Mumbai, Maharashtra or such other Appropriate Authority may approve;
- A-3.** “**Appropriate Authority**” means any governmental, statutory, departmental or public body or authority, including Securities and Exchange Board of India, Stock Exchange(s), Registrar of Companies, Mumbai, Ministry of Corporate Affairs, the Regional Director and National Company Law Tribunal;
- A-4.** “**Board**” or “**Board of Directors**” in relation to the Transferor Company and Transferee Company, as the case may be, means the board of directors of such company and shall include a duly constituted committee or individuals authorized for the purposes of matters pertaining to the merger/ amalgamation, this Scheme and/or any other matter relating thereof, if any;
- A-5.** “**Effective Date**” means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal, Mumbai sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in this Scheme to the “**date of coming into effect of this Scheme**” or “**effectiveness of this Scheme**” or “**Scheme taking effect**” shall mean the Effective Date;
- A-6.** “**Encumbrance**” means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of setoff, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind

For Jyothy Fabricare Services Limited

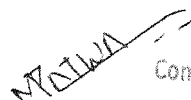
M. N. N. N.
Company Secretary

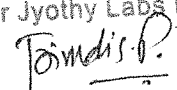
For Jyothy Labs Limited

Shreyas P.
Shreyas Trivedi
Head- Legal & Company Secretary

whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term "Encumbered" shall be construed accordingly:

- A-7. "**Government Authority**" shall mean any applicable central, state government or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;
- A-8. "**Registrar of Companies**" shall mean the Registrar of Companies, Mumbai in relation to the Transferor Company and the Transferee Company;
- A-9. "**Scheme**" or "**the Scheme**" or "**this Scheme**" shall mean this Scheme of Amalgamation between Jyothy Fabricare Services Limited the Transferor Company and Jyothy Labs Limited the Transferee Company and their respective shareholders and/or creditors in its present form as submitted to the National Company Law Tribunal, Mumbai for sanction, with or without any modification(s) approved or imposed or directed by the National Company Law Tribunal, Mumbai;
- A-10. "**SEBI**" shall mean the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- A-11. "**SEBI Circular**" shall mean the circular issued by the SEBI, being SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017 and any amendments thereof;
- A-12. "**Stock Exchanges**" shall mean BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**");
- A-13. "**Tribunal**" shall mean the National Company Law Tribunal, Mumbai Bench as applicable or such other forum or authority as may be vested with any of the powers to sanction the present Scheme under the Act having jurisdiction in relation to the Transferor Company and Transferee Company as the context may admit;
- A-14. "**Undertaking**" shall mean the entire business and all the undertakings of the Transferor Company and shall include:
- a. All the assets, properties (whether movable or immovable, tangible or intangible, present or future, in possession or reversion of whatever nature and wherever situate), business and commercial rights or any other assets of the

For Jyothy Fabricare Services Limited

 Manoj W. Patil
 Company Secretary

For Jyothy Labs Limited

 Shreyas Trivedi
 Head- Legal & Company Secretary

Transferor Company, whether appearing in the Financial Statements or not, as on the Appointed Date (collectively referred to as "the Assets");

- b. All the debts (whether in Indian Rupees or in foreign currency), liabilities, duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised whether appearing in the Financial Statements or not along with any charge, Encumbrance, lien or security thereon, as on the Appointed Date;
- c. Without prejudice to the generality of sub-clause (a) above, the undertaking of the Transferor Company shall include without being limited to all the Transferor Company reserves and the authorized, movable or immovable, tangible or intangible properties, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, computers, servers, network equipment, routers, software and other IT equipment, furniture, fixtures, office equipment, vehicles, appliances, accessories, power lines, deposits, all stocks, assets, investments of all kinds etc., (including shares, scrips, stocks, bonds, debenture stock, mutual funds), Cash & Bank balances, loans, advances, contingent rights or benefits, receivables, actionable claims, advances and book debts (whether in Indian Rupees or in foreign currency), benefit of any deposits, financial assets, leases, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, leases, licenses, fixed and other assets, benefits of assets or properties or other interest held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, and balances, loans, title, interests, other benefits (including tax benefits) and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to trade and service names and marks, patents, knowhow, copyrights, and other intellectual property rights of any nature whatsoever (including application for registration of the same and right to use such intellectual rights) authorizations, permits, approvals, registrations including but not limited to tax and labour law, rights to use and avail of telephones, telex, facsimile, email, internet, leased line connections and installations, utilities, water, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programs, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers

For Jyothy Fabricare Services Limited

MATWA
Company Secretary

For Jyothy Labs Limited

Shreyas P.
Shreyas Trivedi
Head- Legal & Company Secretary

and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

- d. All pre-qualifications, right to use the work experience, qualifications, capabilities, legacies and track record with Government/ Non – Government agencies/ bodies, contracts with clients and with vendors (including technical parameters, past performance, track record, financials etc.) of the Transferor Company, acquired by reason of the completion of various projects and works, certificates of completion of projects or works issued by the clients and the right to use all these for qualifying for any tender or project that may be issued at any time;
- e. All records, files, papers, engineering and process information, computer programmes, software licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customer credit information, customer pricing information and other customer information and all other records and documents, whether in physical or electronic form, relating to the business activities and operations of the Transferor Company;
- f. All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Company;
- g. Amount claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Government Authority, under any law, act, or rule in force, as refund of any tax, duty, cess or of any excess payment.
- h. Right to any claim, including MAT not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of unabsorbed

For Jyothy Fabricare Services Limited

M. P. W. A.
Company Secretary

For Jyothy Labs Limited

Shreyas P.
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Head- Legal & Company Secretary

losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income Tax Act, 1961, or taxation laws of other countries or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.

- i. All present and future liabilities including contingent liabilities and shall further include any obligations under any license and/or permit.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification(s) or re-enactment(s) thereof for the time being in force.

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:

- (i) the singular shall include the plural and vice versa, and references to one gender include all genders.
- (ii) references to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).
- (iii) reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

PART B - CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY AND THE TRANSFEREE COMPANY

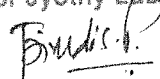
The Authorized, Issued, Subscribed and Paid up share capital of the Transferor Company and Transferee Company as on 31st day of August, 2022 was as under:

- a. The Authorized, Issued, Subscribed and Paid-up share capital of **Jyothy Fabricare Services Limited**, the Transferor Company as on 31st day of August, 2022 was as under:

For Jyothy Fabricare Services Limited


Company Secretary

For Jyothy Labs Limited


Shreyas Trivedi
Head- Legal & Company Secretary

Particulars	Nos.	Amt. (Rs.)
AUTHORISED SHARE CAPITAL		
Equity Shares of Rs. 10/- each	2,99,50,000	29,95,00,000
Preference Shares of Rs. 10/- each	66,00,000	6,60,00,000
Total	-	36,55,00,000
ISSUED CAPITAL SUBSCRIBED AND PAID-UP SHARE CAPITAL		
Equity Shares of Rs. 10/- each	2,05,50,000	20,55,00,000
Preference Share of Rs. 10/- each	33,00,000	3,30,00,000
Total	-	23,85,00,000

Subsequent to the approval of this Scheme by the Board of Directors of the Transferor Company, there has been no change in the stated capital of the Transferor Company.

- b. The Authorized, Issued, Subscribed and Paid-up share capital of **Jyothy Labs Limited**, the Transferee Company as on 31st day of August, 2022 was as under:

Particulars	Nos.	Amt. (Rs.)
AUTHORISED SHARE CAPITAL		
Equity Shares of Re. 1/- each	272,00,00,000	272,00,00,000
Preference Share Capital of Rs. 100/- each	30,000	30,00,000
Total	-	272,30,00,000
ISSUED CAPITAL SUBSCRIBED AND PAID-UP SHARE CAPITAL		
Equity Shares of Re. 1/- each	36,72,08,644	36,72,08,644
Total		36,72,08,644

The equity shares of the Transferee Company are listed on BSE and NSE. There are no existing commitments, obligations or arrangements by the Transferee Company as on the date of approval of this Scheme by the Board of Directors to issue any further shares or convertible securities.

PART C – DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modifications approved or imposed or directed by the Tribunal shall be effective from the Appointed Date but shall be operative from the Effective Date. Any references in the Scheme to 'upon the Scheme becoming effective' or 'upon this Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the Effective Date.

For Jyothy Fabricare Services Limited

M. N. W. A.
Company Secretary

For Jyothy Labs Limited


Shreyas Trivedi
Shreyas Trivedi
Head- Legal & Company Secretary

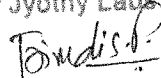
**PART D – AMALGAMATION OF THE TRANSFEROR COMPANY WITH
THE TRANSFEREE COMPANY**

Transfer and Vesting of Undertaking

Upon coming into effect of this Scheme and with effect from the Appointed Date and pursuant to the sanction of this Scheme by the Tribunal or any other competent authority and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, the entire business and whole of the Undertaking of the Transferor Company shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme:

D-1. The entire Undertaking (as defined hereinabove, of the Transferor Company including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, tax credits (including MAT credit), if any and all other estate, rights, title, claims, interest, contracts, consents, authorities including accretions and appurtenances, approvals or powers of every kind, nature and description whatsoever shall under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, shall stand transferred to and be vested in the Transferee Company so as to become the properties and assets of the Transferee Company. Without prejudice to the generality of the above, all benefits, concessions, reliefs including but not limited to the benefit/s under income tax (including tax relief under the Income Tax Act, 1961, such as credit for advance tax, taxes deducted at source, carry forward of Minimum Alternate Tax Credit, carry forward of tax losses including unabsorbed depreciation, continuity of tax holiday/ deduction available, if any, etc.), service tax (including benefits of any unutilized CENVAT/ service tax credits, etc.), credit for Goods and Services Tax, excise, Value Added Tax, Sales Tax (including deferment of sales tax), benefits, etc. accruing for and under any other registrations, etc., to which the Transferor Company is entitled to in terms of various statutes and/ or schemes of Union, State, and Local Governments/ bodies and/ or otherwise, shall be available to and be vested in the Transferee Company.

For Jyothy Fabricare Services Limited

 Company Secretary

For Jyothy Labs Limited

 Shreyas Trivedi
 Head- Legal & Company Secretary

- D-2.** In respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same may be so transferred by the Transferor Company, and shall, upon such transfer, become the property of the Transferee Company.
- D-3.** In respect of such of the assets belonging to the Transferor Company other than those referred to in Clause D-2 above, the same shall, as more particularly provided in Clause D-1 above, without any further act, instrument or deed be transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 232 of the Act.
- D-4.** Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- D-5.** All loans raised and utilized and all liabilities, duties, undertakings, debts and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans, liabilities, duties, undertakings, debts and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- D-6.** Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

For Jyothy Fabricare Services Limited

MATWA
Company Secretary

For Jyothy Labs Limited

Shreyas Trivedi
Shreyas Trivedi
Head- Legal & Company Secretary

- D-7.** All the secured and unsecured debts (whether in Indian Rupees or in foreign currency), liabilities (outstanding and receivables), duties and obligations, of the Transferor Company shall also along with any charge, Encumbrance, lien or security thereon, (hereinafter referred to as the "said Liabilities"), without any further act, instrument or deed be transferred or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act, so as to become the said Liabilities of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which, such liabilities have arisen, in order to give effect to the provisions of this Clause. It is clarified that in so far as the Assets of the Transferor Company are concerned, the security or charge over such Assets or any part thereof, if any, relating to any loans, debentures or borrowing of the Transferor Company, shall, without any further act or deed continue to relate to such Assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company.
- D-8.** All the licenses, permits, quotas, approvals, permissions, incentives, loans, subsidies, concessions, grants, rights, claims, leases, Service Tax, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to the Transferor Company shall, pursuant to the provisions of Section 232 (3) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date, and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under the law.
- D-9.** It is clarified that notwithstanding anything to the contrary contained herein, all rights relating to patents, designs and drawings, trademarks, service marks, logos, domain names and utility models, copyrights, inventions and brand names which are possessed and/ or owned by the Transferor Company and business names and any similar rights and the benefit of any of the foregoing shall be available to Transferee Company, from the Effective Date.
- D-10.** All assets, estates, rights, title, interest, licenses and authorities acquired by or permits, quotas, approvals, permissions, incentives, loans or benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, and other

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assets, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and/ or all rights and benefits that have accrued or which may accrue to the Transferor Company after the Appointed Date and prior to the Effective Date in connection or in relation to the operation of the Undertaking shall upon coming into effect of this Scheme, pursuant to the applicable provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested or deemed to have been transferred to and vested in the Transferee Company.

D-11. Assets of the Transferee Company shall not relate to or be available as security in relation to the said borrowings of the Transferor Company unless the Transferee Company otherwise agrees.

D-12. The work experience, qualifications, pre-qualifications, right to use the work experience, capabilities, legacies and track record with the Government / Non – Government agencies/ bodies, contracts with clients and with vendors, (including technical parameters, past performance, track record, financials etc.) of the Transferor Company acquired by reason of the completion of various projects and works and certificates of completion of projects or works issued by the clients of the Transferor Company shall in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to be part of and belonging to the Transferee Company and shall for all purposes be regarded as the work experience and qualification, pre-qualifications, capabilities and legacies (including technical parameters, past performance, track record, financials etc.) and certificates of completion of the Transferee Company.

D-13. Compliance with Income Tax Act, 1961:

- a. The provisions of this Scheme as they relate to the amalgamation of the Transferor Company into the Transferee Company have been drawn up to comply with the conditions relating to “**Amalgamation**” as defined under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2 (1B) of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will, however, not affect other parts of the Scheme.

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- b. The unabsorbed depreciation and losses of the Transferor Company, if any, shall be treated as the unabsorbed depreciation and losses of the Transferee Company as on the Appointed Date and the Transferee Company shall be entitled to set-off/ carry forward the losses and unabsorbed depreciation of the Transferor Company and to revise its tax returns and including any loss, returns, related tax deduction certificates and to claim refund, advance tax credits, etc., accordingly.

D-14. Legal Proceedings:

- a. Upon coming into effect of this Scheme, all suits, actions, claims, legal, taxation and proceedings of whatsoever nature including proceedings in respect of registrations of any patent, copyright, trademark, service names or marks, or designs, by or against any of the Transferor Company pending and/ or arising before any judicial, quasi-judicial authority or tribunal on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been pending and/ or had arisen by or against the Transferee Company.
- b. If any suit, appeal or other proceedings relating to or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Company or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

D-15. Contracts, deeds, bonds and other instruments:

- a. Upon coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, incentives, licenses, engagements, approvals, registrations (including registrations under Software Technology Parks of India, Special Economic Zones and other registrations) and assurances and other instruments of whatsoever nature, to which any of the Transferor Company is a party or to the benefit of which any of the Transferor Company may be eligible, and which have not lapsed and are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company

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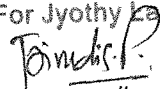
had been a party or beneficiary or obligee thereto. The Transferee Company may, if and wherever necessary, enter into and/ or issue and/ or execute deeds, writings or confirmations at any time, enter into any tripartite arrangements, confirmations or novation prior to the Effective Date to which the Transferor Company will, if necessary and as applicable, also be a party in order to give formal effect to the provisions of this Clause.

- b. Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novation, declarations, or other documents with, or in favour of any party to any contract or arrangement to which any of the Transferor Company was a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of Part C of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of such of the Transferor Company, as applicable.
- c. Without prejudice to the generality of the foregoing, upon coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

D-16. Employees

On the coming into effect of this Scheme, all employees, if any, of the Transferor Company who are in employment of the Transferor Company, as on the Effective Date, shall become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on the same terms and conditions as to employment and remuneration on which they are engaged or employed by the Transferor Company. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the

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employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement / settlement, if any, entered into by any of the Transferor Company with any union / employee. After the Effective Date, the Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the said employees or any of them on the same basis as it may do for the employees of the Transferee Company.

Upon the Scheme becoming effective, any funds such as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts existing (if any) for the benefit of the employees of the Transferor Company shall become funds / trusts of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds / trusts in relation to the obligation to make contributions to the said funds / trusts in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such funds / trusts shall become those of the Transferee Company.

D-17. Directors

Upon the coming into effect of this Scheme, the directors of the Transferor Company will not be entitled to any directorship in the Transferee Company by virtue of the provisions of this Scheme. It is however clarified that this Scheme will not affect any directorship of a person who is already a director in the Transferee Company as of the Effective Date.

D-18. Saving of Concluded Transactions:

The transfer of the Undertaking, the continuance of proceedings and the effectiveness of contracts as mentioned hereinabove, shall not affect any transaction or proceedings already concluded by any of the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by any of the Transferor Company in respect thereto, as if done and executed on its behalf.

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D-19. Consideration:

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company and the entire paid-up share capital of the Transferor Company is held by the Transferee Company directly and through its nominees:

- a. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the paid up share capital of the Transferor Company shall stand cancelled and extinguished as per the provisions of Section 232 (3) (b) of the Act.
- b. The share certificates issued by the Transferor Company in relation to its shares shall, without any further application, act, instrument or deed, be deemed to be stand automatically cancelled as on the Effective Date.
- c. The shares held by the Transferee Company in the Transferor Company in demat mode shall stand cancelled automatically and the Transferee Company shall intimate the concerned depository(ies)/authorities for cancellation and closure of demat account.

D-20. Increase in Authorized Share Capital of the Transferee Company:

- a. Upon the Scheme coming into effect, the Authorized Share Capital of Transferor Company shall be added to that of the Authorised Share Capital of the Transferee Company and in the Memorandum of Association of the Transferee Company it shall be automatically stand enhanced without any further act, instrument, or deed or procedure on the part of the Transferee Company subject to payment of differential fees, if any payable by the Transferee Company for the increased authorised share capital after adjusting the fees paid by the Transferor Company on its Authorised Share Capital.
- b. It is clarified that the approval/ consent of shareholders of the Transferee Company to the Scheme shall be deemed to be their consent for the purpose of making alteration in the corresponding capital clause in the Memorandum of Association of the Transferee Company as required under Sections 13, 14, 61, 64 or any other applicable provisions of the Act. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on the Authorised Share Capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined Authorised Share Capital and

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accordingly, the Transferee Company shall be required to pay the differential fees, if any on the Authorised Share Capital so increased.

- c. The capital clause being Clause V of the Memorandum of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:

"The Authorised Share Capital of the Company is Rs. 308,85,00,000/- (Rupees Three Hundred Eight Crores and Eighty Five Lacs only) divided into 301,95,00,000 (Rupees Three Hundred One Crores and Ninety Five Lacs only) equity shares of Re. 1/- (Rupee One) each; 66,00,000 (Sixty Six Lacs) Preference shares of Rs. 10/- (Rupees Ten Only) each and 30,000 (Thirty Thousand) 11% Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each."

- d. The share capital clause being Clause 2 of the Articles of Association of the Transferee Company shall on the Effective Date stand substituted to read as follows:

"The Authorised Share Capital of the Company is Rs. 308,85,00,000/- (Rupees Three Hundred Eight Crores and Eighty Five Lacs only) divided into 301,95,00,000 (Rupees Three Hundred One Crores and Ninety Five Lacs only) equity shares of Re. 1/- (Rupee One) each; 66,00,000 (Sixty Six Lacs) Preference shares of Rs. 10/- (Rupees Ten Only) each and 30,000 (Thirty Thousand) 11% Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each."

PART E – ACCOUNTING TREATMENT FOR THE AMALGAMATION IN THE BOOKS OF TRANSFEREE COMPANY

E-1. Accounting Treatment:

- a. The Transferee Company shall account for the merger in its financial statements in accordance with "Pooling of Interest Method" laid down under Appendix C of Ind AS 103 (Business combinations of entities under common control) notified under Section 133 of the Act read with relevant rules issued thereunder and applicable accounting standards prescribed under the Act.
- b. The Transferee Company, upon the Scheme coming into effect, shall record all the assets and liabilities including reserves, if any, of the Transferor Company

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vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company.

- c. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
- d. The financial statements of the Transferee Company will reflect the financial position based on consistent accounting policies. In case of any difference in any of the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and impact of the same will be quantified and adjusted in "Surplus in the Profit & Loss" account of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy and in conformity with applicable standards including the Ind AS 103 "Business Combinations" as notified by the Ministry of Corporate Affairs.
- e. Any inter-company balances, loans and advances, payables and receivable investments, guarantees etc. in its respective books shall stand cancelled or discharged.
- f. The shares held by Transferee Company in the Transferor Company shall stand cancelled.
- g. The difference between the net assets (assets less liabilities) and reserves of the Transferor Company transferred to the Transferee Company, after making the adjustments, if any, as mentioned in this Scheme above shall be transferred to capital reserve account.
- h. Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in the books of accounts in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, or any other relevant or related requirement under the Act,
- i. In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

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**PART F – GENERAL TERMS & CONDITIONS APPLICABLE TO THE
ENTIRE SCHEME**

F-1. Conduct of Business as and from the Appointed Date till the Effective Date:

- a. Between the Appointed Date and Effective Date, the Transferor Company shall carry on and be deemed to carry on all its business and activities as hereto and shall stand possessed of its properties and assets for and on account of, and for the benefit of and in trust for, the Transferee Company and all profits or income accruing or arising to the Transferor Company and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall for all purposes be treated and be deemed to be and accrue as the profits or income or as the case may be expenditure or losses (including taxes) of the Transferee Company.
- b. The Transferor Company hereby undertakes to carry on its business until the Effective Date with reasonable diligence and business prudence and shall not, without the consent of the Transferee Company, alienate, charge or otherwise deal with the Undertaking or any part thereof except in the ordinary course of its business.
- c. the Transferor Company shall not take, enter into, perform or undertake;
 - (i) any material decision in relation to its business and operations other than decisions already taken prior to approval of the Scheme by the Board of Directors;
 - (ii) any agreement or transaction; and
 - (iii) any new business or any substantial expansion of its existing business or change the general character or nature of its business except with the concurrence/consent of the Transferee Company.

F-2. Dividend:

- a. The equity shareholders of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights under its respective Articles of Association including the right to receive dividends, prior to the Effective Date.
- b. Subject to the provisions of the Scheme, the profits of the Transferor Company, for the period beginning from the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.

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- c. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.

F-3. Dissolution of Transferor Company:

- a. Upon coming into effect of this Scheme, Transferor Company shall stand dissolved without winding up, and the Board of Directors of the Transferor Company shall without any further act, deed or instrument shall stand dissolved.
- b. On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the Registrar of Companies, Mumbai. The Transferee Company shall make necessary filings in this regard.

F-4. Application to Tribunal and other Authorities:

The Transferor Company and the Transferee Company shall with all reasonable care dispatch, make and file all applications, petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act, before the Tribunal or any other Authority as applicable, for sanctioning of this Scheme and for dissolution of the Transferor Company without winding up under the provisions of law and obtain all approvals as may be required under law.

F-5. Modification or Amendments to the Scheme:

- a. Subject to the approval of the Tribunal, the Transferor Company and the Transferee Company through their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof (hereinafter referred to as the "Delegates"), are hereby empowered and authorized from time to time to make any modifications or amendments to the Scheme, which the Tribunal or any other Government Authority may deem fit to approve or may impose and to settle all doubts or difficulties that may arise in carrying out the Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect, or to review the position relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing this Scheme into effect. In the event that any of the conditions that may be imposed by the Tribunal or

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other authorities which the Transferor Company or the Transferee Company may find not viable for any reason, then the Transferor Company and the Transferee Company are at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegates of the respective Companies. The power of the Board of Directors of the Transferor Company and the Transferee Company shall be subject to the final approval of the Tribunal.

- b. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

F-6. Taxes:

- a. Any tax liabilities under the Income Tax Act, 1961, Customs Act, 1962, The Central Goods And Services Tax Act, 2017, State Sales Tax laws, Central Sales Tax Act, 1956, other Services Tax, applicable State VAT laws, stamp laws if any or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter in this Clause referred to as "Tax Laws") allocable or related to the business of the Transferor Company to the extent not provided for or covered by the provision for tax made in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and Tax Deducted at Source ("TDS") as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- b. With effect from the Appointed Date and upon the Scheme becoming effective, any tax credits, tax receivables, advance/ prepaid taxes, MAT credit, taxes deducted at source, of the Transferor Company shall be treated as the tax credits, tax receivables, advance/ prepaid taxes, MAT credit, taxes deducted at source, of the Transferee Company as on the Appointed Date and the Transferee Company shall be entitled to claim in its tax return or in the statutorily prescribed manner the tax credits, tax receivables, advance, prepaid taxes, MAT credit, taxes deducted at source, of the Transferor Company and to revise its tax returns and including any loss, related tax deduction certificates and to claim refund, advance tax credits, tax receivables, etc., accordingly.

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- c. Any refund under the Tax Laws due to any of the Transferor Company consequent to the assessment made on the Transferee Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- d. All taxes (including income tax, customs duty, excise duty, sales tax, service tax, GST, VAT, etc.) paid or payable by any of the Transferor Company in respect of the operations and/ or the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, custom duty, income tax, service tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- e. The Transferee Company shall be entitled to tax benefits under Section 72A or any other provision of the Income Tax Act, 1961 towards brought forward losses and unabsorbed depreciation of the Transferor Company, if any from the taxable profits of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy the tax benefits/ concessions provided to the Transferor Company through Notifications/ Circulars issued by the concerned Authorities from time to time.

F-7. Compliance with SEBI regulations

- a. As the present Scheme solely provides for Amalgamation of wholly owned subsidiary with its holding company, no formal approval, no objection certificate or vetting is required from Stock Exchanges or SEBI for the Scheme, in terms of provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015, SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, SEBI Circular No. CFD/DIL3/CIR/2018/2 dated 3rd January, 2018 and other applicable provisions, if any.
- b. In terms of the SEBI Regulations, the present Scheme of Amalgamation by absorption is only required to be filed with Stock Exchanges for the purpose of disclosure and dissemination on their website.

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F-8. Scheme conditional upon sanctions, etc:

This Scheme is conditional upon and subject to:

- a. The requisite order/s of the Hon'ble Tribunal referred to in Clause F-4 above being obtained;
- b. Such other sanctions and approvals, including sanctions of any governmental or regulatory authority, creditor, lessor, or contracting party as may be required by law or contract in respect of the Scheme, being obtained; and
- c. The approval by the requisite sanction or approval from the Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Regional Director, Official Liquidator as may be applicable or as may be directed by the Tribunal; and
- d. The certified copy/copies of the order/s of the Tribunal under Section 230 to 232 of the Act and other applicable provisions of the Act sanctioning this Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai.
- e. All other sanctions and approvals as may be required under any law with regard to this scheme are obtained.

The Boards of Directors of the Transferor Company and the Transferee Company shall, upon the conditions being satisfied, or upon waiver of any condition that is capable of being waived, declare the Scheme as having come into effect.

PART G – OTHER TERMS & CONDITIONS

G-1. In the event of any of the said sanctions and approvals not being obtained or waived and/ or the Scheme not being sanctioned by the Tribunal, the Scheme shall become null and void, and each party shall bear its respective costs, charges and expenses in connection with the Scheme.

G-2. In the event of this Scheme failing to take effect finally, including without limitation, due to any of the said sanctions and approvals referred to in Clause F-8 above not being obtained and/ or complied with and /or satisfied and/or waived and/ or this Scheme not being sanctioned by the Tribunal and/ or order or orders not being passed as aforesaid, this Scheme shall stand revoked/ cancelled and be of no effect and become null and void and in that event no

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rights and liabilities whatsoever shall accrue to or be incurred *inter se* by the parties or the shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law.

- G-3.** Further, the respective Boards of Directors of the Transferor Company and the Transferee Company, including through or by the respective Delegates shall be entitled to revoke, cancel and declare the Scheme to be of no effect if such respective Boards of Directors are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on the Transferor Company and/ or the Transferee Company.
- G-4.** If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/ or provisions of this Scheme. the Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors), (either by themselves or through a committee or authorized officers or Delegates appointed by them in this behalf), may, in their full and absolute discretion, modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time.
- G-5.** In the event of non-fulfilment of any or all of the obligations under this Scheme by any party towards any other party *inter se* or to third parties and non-performance of which will place the other party under any obligation, then such defaulting party will indemnify all costs and interest to such other affected party.
- G-6.** All costs, charges, levies and expenses (including any taxes and duties) incurred by the Transferor Company and Transferee Company, in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company including stamp duty on the orders of the Tribunal, if any, shall be borne and paid by the Transferee Company.

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**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT- II**

CA(CAA) 228/MB/2022

In the matter of the Companies
Act, 2013 (18 of 2013)

AND

In the matter of Sections 230 to
232 and other applicable
provisions of the Companies Act,
2013 and Rules framed
thereunder as in force from time
to time

AND

In the matter of Scheme of
Amalgamation of JYOTHY
FABRICARE SERVICES
LIMITED, the Transferor
Company with JYOTHY LABS
LIMITED, the Transferee
Company

JYOTHY FABRICARE)
SERVICES LIMITED, a)
company incorporated under the)
Companies Act, 1956 having its)
registered office at Ujala House,)
Ram Krishna Mandir Road,)
Kondivita Andheri (East),)
Mumbai - 400059.)
CIN:) **... Applicant Company 1/**
U17120MH2008PLC180246.) **Transferor Company**



JYOTHY LABS LIMITED, a)
company incorporated under the)
Companies Act, 1956 having its)
registered office at Ujala House,)
Ram Krishna Mandir Road,)
Kondivita, Andheri (East),)
Mumbai - 400059.)
CIN:) **... Applicant Company 2/**
L24240MH1992PLC128651) **Transferee Company**

Order delivered on: 07.10.2022

Coram:

Hon'ble Member (Judicial) : Justice P.N. Deshmukh (Retd.)

Hon'ble Member (Technical): Mr. Shyam Babu Gautam

Appearances:

For the Applicant Companies : Mr. Ashish O. Lalpuria a/w Mr.
Kamal Lahoty, Practising
Company Secretaries.

ORDER

Per: Shyam Babu Gautam (Member Technical)

1. The Court convened by videoconference.
2. Learned Authorised Representative for the Transferor Company and Transferee Company (*Applicant Companies*) states that the present Scheme is an Application for an arrangement embodied in the Scheme of Amalgamation of JYOTHY FABRICARE SERVICES LIMITED, the Transferor Company with JYOTHY



LABS LIMITED, the Transferee Company and their respective Shareholders.

3. The Learned Authorised Representative for the Applicants states that the respective Board of Directors of Transferor Company and the Transferee Company at its respective Board Meeting held on 12th September, 2022 approved the Scheme.
4. The Learned Authorised Representative for the Applicants states that appointed date of Scheme of Amalgamation is 1st October, 2022.
5. The Learned Authorised Representative for the Applicants submit that the Transferor Company is a wholly owned Subsidiary of the Transferee Company.
6. The Learned Authorised Representative for the Applicants submits that the Transferor Company is in the business of laundry and dry-cleaning services and the Transferee Company is engaged in manufacturing and marketing of fabric care, dishwashing, personal care and household insecticides products.
7. The Learned Authorised Representative for the Applicants submit that the paid up share capital of the Transferor Company is Rs. 23,85,00,000/- divided into 2,05,50,000 Equity Shares of Rs. 10/- each and 33,00,000 Preference Shares of Rs. 10/- each. The paid up share capital of the Transferee Company is Rs.



36,72,08,644/- divided into 36,72,08,644 Equity Shares of Re. 1/- each.

8. The Learned Authorised Representative for the Applicants submit that since the present Application is for Scheme of Amalgamation of wholly owned Subsidiary (Transferor Company) with its holding Company (Transferee Company), no shares are being issued as the shares held by the Transferee Company in Transferor Company would be cancelled and extinguished upon Amalgamation.
9. The Learned Authorised Representative for the Applicants submit that the rationale for the Scheme is as under:
 - i. The Transferor Company and the Transferee Company are companies within the same group of companies (“Group”). A consolidation of the Transferor Company and the Transferee Company by way of amalgamation would therefore lead to a more efficient utilization of capital and create a stronger base for future growth of the amalgamated entity.
 - ii. The Transferor Company is in the business of laundry and dry-cleaning services and whereas the Transferee Company is in the business of manufacturing of fabric care, dishwashing, personal care and household insecticides products. Since both the Companies are operating in complementary/similar line of business, the same can be conveniently combined for mutual benefit and



- can be carried out more efficiently as one amalgamated entity.
- iii. The proposed amalgamation will help pool and combine finances and resources into one consolidated entity which will result in administrative and operations rationalization, organization efficiencies, optimal utilization of various resources, overheads and other expenses and better compliance management.
 - iv. The proposed amalgamation will help the Transferee Company to achieve financial strength and flexibility aiding in achieving economies of scale, more focused operational efforts, standardization and simplification of business processes and productivity improvements.
 - v. The proposed amalgamation will help the Transferee Company to enhance its reach to serve customers better thereby leading to increased business opportunities and its net worth.
 - vi. The proposed amalgamation will reduce management overlaps, as two of the Independent Directors of the Transferee Company are the Independent Directors in the Transferor Company, which will improve efficiency in managing companies. Elimination of multiple entities will help in streamlining the organization structure of the Transferee Company and the proposed amalgamation will prevent cost duplication and will result in synergies in operations which would increase the operational efficiency and integration of business functions. The proposed amalgamation is commercially and economically viable,



feasible, fair and reasonable and is in the interest of the Transferor Company, the Transferee Company and their respective stakeholders.

10. The Applicant Company 1 / Transferor Company has 7 (seven) equity shareholders. All of them have given their consent to the Scheme by way of Affidavits. These are placed at p. **547-562** of the Application. In view of this, the meeting of the equity shareholders of the Transferor Company is dispensed with.
11. The Applicant Company 1 / Transferor Company has 1 (One) Preference shareholder who has given the consent to the Scheme by way of Affidavits. These are placed at p. **564-566** of the Application. In view of this, the meeting of the Preference shareholder of the Transferor Company is dispensed with.
12. That Learned Authorised Representative submits that there are no Secured Creditors in the Transferor Company.
13. There are 64 (Sixty Four) Unsecured Creditors in the Applicant Company 1 / Transferor Company with a total outstanding amount of Rs. 106,20,64,889/- (Rupees One Hundred and Six Crore Twenty Lacs Sixty-Four Thousand Eight Hundred and Eighty Nine Only). The detail of the same has been placed at p. 567-569 of the Application. The Unsecured Creditors constituting 98.86% in value of debt have issued their no objection to the Scheme which is placed at page no. 570-577 of



the Application. In view of this, the meeting of the unsecured creditor of the Transferor Company is dispensed with.

14. The Applicant Companies submit that:

- a) Being a merger of wholly owned subsidiary company into its holding company, no shares would be issued or allotted as consideration pursuant to the merger. Accordingly, the rights of members of the Transferee Company are not adversely affected since there will be no issue of shares pursuant to the Scheme and there would be absolutely no change in the equity share capital of the Transferee Company. Also, the present Scheme will not result in any dilution in shareholding of the shareholders of the Transferee Company.
- b) The rights of the creditors of the Transferee Company are not affected since there will be no reduction in their claims and the assets of the Transferee Company, post amalgamation, will be more than sufficient to discharge their claims. Also, the net worth of the Transferee Company is and will continue to remain highly positive post-merger;
- c) The existence of the Transferee Company will remain as before without any change in its shareholding pattern pursuant to the Scheme.
- d) No undertaking of the Transferor Company is being parted away or being disposed-off and hence provisions of section 180 of the Companies Act, 2013 are also not applicable;



15. The Learned Authorised Representative for the Applicants further submits that in view of above, no reconstruction or arrangement happens with its shareholders or creditors, and thus, it does not require to hold either shareholders' meeting or creditors' meeting of the Applicant Company 2/ the Transferee Company for approval of the proposed Scheme in view of ratio laid down by this Tribunal in CA(CAA) No 243 of 2017 in the matter of Housing Development Finance Corporation Limited; in CA(CAA) No. 915 of 2017 in the matter of Godrej Consumer Products Limited; in CA(CAA) No. 899 of 2017 in case of Mahindra CIE Automotive Limited; in CA(CAA) No. 1019 of 2017 in case of Godrej Properties Limited; in CA(CAA) No. 1615 of 2018 in case of Dolvi Minerals and Metals Private Limited; in CA(CAA) No. 396 of 2019 in JSW Logistic Infrastructure Private Limited; in CA(CAA) No. 1611 of 2019 in CEAT Specialty Tyres Limited; in CA(CAA) No. 3123 of 2019 in JAI Corp Limited and in CA(CAA) No. 4149 of 2019 in Godrej Properties Limited and in various other matter including the judgement of the National Company Law Appellate Tribunal (NCLAT) in Company Appeal (AT) No. 19 of 2021 in the matter of Ambuja Cements Limited. The Transferee Company submits that the facts in the present case are similar to the facts of above cases therefore no meeting of shareholders and/or creditors of the Transferee Company are required to be convened. This Bench is of the view that the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company be dispensed with since the Transferor Company is a wholly-owned subsidiary of the Transferee Company.



16.The Applicant Companies to serve the notice of the present Application complete with enclosures upon –

- (a) the Regional Director, Western Region, Ministry of Corporate Affairs, Mumbai,
- (b) Registrar of Companies, Mumbai
- (c) Securities and Exchange Board of India,
- (d) National Stock Exchange of India Limited,
- (e) BSE Ltd,

pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. If no response is received by the Tribunal from such authorities within 30 days of the date of receipt of the notices it will be presumed that they have no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

17.The Applicant Companies to serve the notice of the present Application complete with enclosures on the following Income Tax and GST Authorities within whose jurisdiction the respective applicant companies are assessed to tax clearing indicating PAN of the concerned Company, pursuant to Section 230(5) of the Companies Act, 2013 as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016:



Name of Company	PAN	Income Tax Jurisdiction
Transferor Company	AACCCJ0461D	Circle 2(2)(1), Aayakar Bhawan, Mumbai
Transferee Company	AAACJ3213B	Circle 2(2)(1), Aayakar Bhawan, Mumbai

If no response is received by the Tribunal from such authorities within 30 days of the date of receipt of the notice it will be presumed that they have no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

18. The Transferor Company to serve notice upon the Official Liquidator, Mumbai pursuant to Section 230(5) of the Companies Act, 2013. If no response is received by the concerned Tribunal from Official Liquidator within 30 days, it may be presumed that Official Liquidator, Mumbai has no objection to the proposed Scheme as per Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

19. The Applicant Companies to file affidavit of service within 15 (fifteen) days from the last of the compliances as stated in above paragraphs are made and do report to this Tribunal that the



directions regarding the issue of notices have been duly complied with.

Sd/-

SHYAM BABU GAUTAM
(MEMBER TECHNICAL)

Sd/-

JUSTICE P. N. DESHMUKH
(MEMBER JUDICIAL)