

To,

February 27, 2023

BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 023  
Security Code : 532926

National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai – 400051  
Symbol: JYOTHYLAB

**Sub: Intimation under Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Approval of Scheme of Amalgamation of Wholly Owned Subsidiary viz. Jyothy Fabricare Services Limited (Transferor Company) with Jyothy Labs Limited (Transferee Company)**

Dear Sir/ Madam,

We refer to our letter dated September 12, 2022, wherein we had intimated the Stock Exchanges about the Amalgamation of its Wholly Owned Subsidiary viz. Jyothy Fabricare Services Limited (the Transferor Company) with Jyothy Labs Limited (the Transferee Company), *inter-alia* subject to approval of the Hon'ble National Company Law Tribunal, Mumbai Bench.

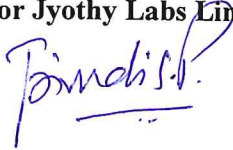
In this connection, we are pleased to inform you that the Hon'ble National Company Law Tribunal, Mumbai bench vide its Order dated February 24, 2023, has sanctioned the Scheme of amalgamation of Jyothy Fabricare Services Limited (the Transferor Company) with Jyothy Labs Limited (the Transferee Company). A copy of the Order is enclosed herewith for your ready reference.

The Scheme will come into effect upon filing of the certified copy of the National Company Law Tribunal, Mumbai Bench with the Registrar of Companies by the Transferor Company and the Transferee Company.

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

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

**C.P (CAA) 200/MB/2022**

**Connected with**

**C.A. (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 and their  
respective Shareholders.

**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: )  
U17120MH2008PLC180246. ) ... Petitioner Company 1/  
 ) 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: )  
L24240MH1992PLC128651 )  
... Petitioner Company 2/  
Transferee Company

**Order delivered on: 24.02.2023**

***Coram:***

**Hon'ble Member (Judicial) : Shri Kuldip Kumar Kareer**

**Hon'ble Member (Technical): Shri Shyam Babu Gautam**

***Appearances:***

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

For the Regional Director : Rupa Sutar, Deputy RoC for  
the Office of the Regional  
Director, WR, MCA

**ORDER**

***Per: Shyam Babu Gautam (Member Technical)***

The sanction of the Tribunal is sought under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the Act) to

the Scheme of Amalgamation of JYOTHY FABRICARE SERVICES LIMITED, the Transferor Company with JYOTHY LABS LIMITED, the Transferee Company and their respective Shareholders.

1. The Scheme envisages Amalgamation of JYOTHY FABRICARE SERVICES LIMITED, the Transferor Company with JYOTHY LABS LIMITED, the Transferee Company.
2. We have heard the Learned Authorised Representative for the Petitioner Companies and the Deputy RoC for the Regional Director, WR, MCA. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petition.
3. The Learned Authorised Representative for the Petitioners submit that the Transferor Company is a wholly owned Subsidiary of the Transferee Company
4. The Learned Authorised Representative for the Petitioners 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.
5. The Learned Authorised Representative for the Petitioners states that the respective Board of Directors of the Transferor

Company and the Transferee Company at its respective Board Meeting held on 12<sup>th</sup> September, 2022 approved the Scheme.

6. The Learned Authorised Representative for the Petitioners states that appointed date of the Scheme of Amalgamation is 1<sup>st</sup> October, 2022.
7. The Learned Authorised Representative for the Petitioners 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 Petitioners 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 the Transferor Company would be cancelled and extinguished upon Amalgamation.
9. The Learned Authorised Representative for the Petitioners submit that the rationale for the Scheme is as under:
  - 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.
- 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.
10. The Company Petition is filed in consonance with Sections 230 to 232 of the Act along with the order dated 7<sup>th</sup> October, 2022 passed in CA (CAA) No. 228/(MB)/2022 of this Tribunal.
11. The Learned Authorised Representative appearing on behalf of the Petitioner Companies stated that the Petitioner Companies have complied with all requirements as per directions of the Tribunal and have filed necessary affidavits of compliance with the Tribunal. Moreover, the Petitioner Companies undertake to

comply with all statutory/regulatory requirements, if any, as required under the Act and the Rules made thereunder. The undertaking given by the Petitioner Companies is accepted.

12. The Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai, has filed its Report dated 28<sup>th</sup> December, 2022 inter alia stating therein its observations on the Scheme as stated in para 2 (a) to (k) of the Report. In response to the observations made by the Regional Director, the Petitioner Companies filed an Affidavit in Rejoinder and have given necessary clarifications and undertakings. The observations of the RD and the response of the companies is shown in the table below:

<b><i>Sr. No. Para a (2)</i></b>	<b><i>RD Report / Observation Dated 28<sup>th</sup> December, 2022.</i></b>	<b><i>Response of the Petitioner Companies</i></b>
<i>a)</i>	<i>That on examination of the report of the Registrar of Companies, Mumbai dated 17.11.2022 for Petitioner Companies (Annexed as Annexure A-1) that the Petitioner Companies falls within the jurisdiction of ROC, Mumbai. It is submitted that no representation regarding the proposed</i>	Apropos observation made in paragraph 2 (a) of the report of Regional Director is concerned, the Petitioner Companies submit that the same is self-explanatory in nature and does not require any explanation.



	<p><i>scheme of Amalgamation has been received against the Petitioner Companies. Further, the Petitioner Companies has filed Financial Statements up to 31.03.2022.</i></p>	
b)	<p><i>The ROC has further submitted that in his report dated 17.11.2022 which are as under: -</i></p> <ol style="list-style-type: none"> <li><i>1. That the ROC Mumbai in his report dated 17.11.2022 has stated that No Inquiry, Investigations, Inspections, Prosecutions, Technical Scrutiny, Complaints are pending against the Petitioner Companies.</i></li> <li><i>2. Interest of the Creditor should be protected.</i></li> <li><i>3. It is submitted that as per the provisions of Section 232(3)(i) of the Companies Act, 2013, where the Transferor Company is</i></li> </ol>	<p>Apropos observation made in paragraph 2 (b)(1) of the report of Regional Director is concerned, the Petitioner Companies states the same is self-explanatory and does not require explanation.</p> <p>As far as the observation made in paragraph 2 (b)(2) with respect to protection of interest of creditors is concerned, the Petitioner Companies undertakes to protect the interest of creditors at all times.</p> <p>In regards to the observation made in paragraph 2 (b)(3), the Transferee Company undertakes to comply with the provisions of</p>

	<p><i>dissolved, the fee, if any, paid by the Transferor Company on its authorized capital shall be set-off against any fees payable by the Transferee Company on its authorized capital subsequent to the amalgamation. Therefore, remaining fee, if any after setting-off the fees already paid by the Transferor Company on its authorized capital, has to be paid by the Transferee Company on the increased authorized capital subsequent to the amalgamation. Hence, the Petitioner Companies shall undertake to submit detail reply against observations mentioned above.</i></p>	<p>Section 232(3)(i) of the Companies Act, 2013 with respect to payment of differential fees in the increased Authorised Share Capital and would pay the differential fees, if any.</p>
<p>c)</p>	<p><i>Transferee Company should undertake to comply with the provisions of section 232(3)(i) of the Companies Act, 2013 through appropriate affirmation in respect of fees payable by Transferee Company for increase of share capital on account of merger of Transfer of companies.</i></p>	<p>Apropos observation made in paragraph 2 (c) of the report of Regional Director is concerned, as stated above the Transferee Company reiterates that it would comply with the provisions of Section 232(3)(i) of the Companies Act, 2013 with respect to payment of differential fees and would pay the differential fees, if any.</p>

d)	<i>In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the resultant company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards including AS- 5 or IND AS-8 etc.</i>	Apropos observation made in paragraph 2 (d) of the report of Regional Director is concerned, the Petitioner Companies undertakes to comply with AS-14 or IND AS-103 and such applicable accounting standards for Amalgamation and as per other applicable provisions of the Companies Act, 2013 while passing necessary entries in connection with the Scheme including AS-5 or IND AS-8 as applicable.
e)	<i>The Hon'ble Tribunal may kindly direct the Petitioner Companies to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy, or no change is made.</i>	Apropos observation made in paragraph 2 (e) of the Report of the Regional Director is concerned, the Petitioner Companies submits that Scheme enclosed to the Company Application and the Scheme enclosed to the Company Petition are one and the same and there is no discrepancy or deviation.
f)	<i>The Petitioner Companies under provisions of section 230(5) of the Companies Act 2013 have to serve</i>	Apropos observation made in paragraph 2 (f) of the report of Regional Director is concerned,

	<p><i>notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities shall be binding on the petitioner companies concerned.</i></p>	<p>the Petitioner Companies submits that notices were served upon the concerned regulatory authorities in accordance with the provisions of section 230(5) of the Companies Act, 2013. The Petitioners further submits that approval of the scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such Authorities shall be binding on the Petitioner Companies subject to right of appeal, if available.</p>
g)	<p><i>As per Definition of the Scheme, "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.</i></p> <p><i>"Effective Date" means the last of the dates on which certified or authenticated copies of the orders of National Company Law Tribunal, Mumbai sanctioning the scheme are</i></p>	<p>Apropos observation of the Regional Director, Western Region, Mumbai, as stated in paragraph 2 (g) of his report concerned, the Petitioners Companies confirms that the definition "Appointed Date" means 1<sup>st</sup> October, 2022. Further, Clause A-2 of the Scheme specifies that the appointed date shall be 1<sup>st</sup> October, 2022. Further, the Petitioners confirms that the</p>

	<p><i>filed with Registrar of Companies by the Transferor and Transferee company. Any reference in this scheme to the "date of coming into effect of this scheme" or "effectiveness of the scheme" or " Scheme taking effect" shall mean the Effective date.</i></p> <p><i>It is submitted that the Petitioners may be asked to Comply with the requirements as clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</i></p>	<p>“Effective Date” shall be the last of the dates on which 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 and Transferee Company. The Petitioner Companies further undertakes to comply with the circular no. F. No.7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs. The Petitioner Companies clarify that the amalgamation as embodied in the Scheme shall take effect from the Appointed Date i.e. 1<sup>st</sup> October, 2022.</p>
<p><i>h)</i></p>	<p><i>Petitioner Companies shall undertake to comply with the directions of the concerned sectoral Regulatory, if so required.</i></p>	<p>Apropos observation made in paragraph 2 (h) of the report of Regional Director is concerned, the Petitioner Companies states that the Petitioner Company have duly served CAA-3 notices upon BSE Ltd. (BSE), National Stock Exchange of India Limited (NSE)</p>

		and Securities and Exchange Board of India (SEBI). Copies of the Notices served upon BSE, NSE & SEBI are annexed as <b>Annexure B-Colly</b> to Rejoinder. Further, the Petitioners Companies undertakes to comply with any directions issued by any regulators, if any in accordance with the law.
<i>i)</i>	<i>Petitioner Companies shall undertake to comply with the directions of Income tax department, if any.</i>	Apropos observation made in paragraph 2 (i) of the report of Regional Director is concerned, the Petitioner Companies undertakes the compliance of all provisions of the Income Tax Act, 1961 including any direction of the Income Tax department, if any in accordance with the law.
<i>j)</i>	<i>The Petitioner Transferee Company is a listed company; thus Petitioner Companies shall undertake to comply with SEBI(LODR) Regulations 2015 and compliance of observations of BSE, NSE and SEBI, if any.</i>	Apropos observation made in paragraph 2 (j) of the report of Regional Director is concerned, the Petitioner Companies undertakes the compliance of all provisions of the SEBI (LODR) Regulations, 2015 and the

		observations of BSE, NSE and SEBI, if any.
k)	<i>The Petitioner Transferee Company has foreign shareholders, hence Petitioner Companies shall undertake to obtain NOC from RBI, FEMA and FERA;</i>	Apropos observation made in paragraph 2 (k) of the report of Regional Director is concerned, the Petitioner Companies submit that no shares are being issued to any Foreign Shareholders in pursuant to the Scheme and hence, no NOC is required to be obtained from RBI and under FEMA or FERA. Further the Petitioner Companies undertakes the compliance of all provisions of RBI, FEMA and FERA, as applicable.

13. So far as the observation in the Report of Official Liquidator is concerned, the Learned Authorised Representative for the Petitioner Companies submits that the they have filed an Affidavit-in-Rejoinder dated 10<sup>th</sup> January 2023 to the Report of Official Liquidator and has served the copy of the same upon the Official Liquidator, Bombay High Court and have dealt about the same in details which are self-explanatory. Thus, this Bench hereby directs that the Registrar of Companies is free to take action, if any, against the Transferor Company for non-compliance of law, if any. The Petitioner/ Transferee Company

undertakes that in case any other action under Companies Act, 2013 or any other law is made out against the Transferor Company, the same shall be enforced against the Transferee Company. In view of the above, the objection of the Official Liquidator no longer sustains.

14. From the material on record, the Scheme appears to be fair, reasonable and is not in violation to any provisions of law nor is contrary to public interest/policy. The undertakings given by the Petitioner Companies are hereby accepted.
15. Since all the requisite statutory compliances have been fulfilled, CP (CAA)/200/(MB)/2022 is made absolute in terms of prayer clauses of the Company Petition. Hence Ordered.

### **ORDER**

16. The Petition is allowed subject to the following:
  - (i) The Scheme, with the Appointed Date fixed as 1<sup>st</sup> October, 2022 placed as **Exhibit – A** of the Company Petition, is hereby sanctioned. It shall be binding on the Petitioner Companies involved in the Scheme and all concerned including their respective Shareholders, Secured Creditors, Unsecured Creditors/Trade Creditors and Employees.
  - (ii) The Registrar of this Tribunal shall issue the certified copy of this Order along with the Scheme forthwith. The Petitioner Companies are directed to file a certified copy



of this Order along with a copy of the Scheme with the Registrar of Companies concerned, electronically in E-form INC-28 within 30 days from the date of receipt of the Order from the Registry.

- (iii) The Petitioner Companies shall lodge a copy of this Order and the Scheme duly authenticated by the Registrar of this Tribunal with the Superintendent of Stamps concerned, within 60 working days from the date of the receipt of the Order, for the purpose of adjudication of stamp duty, if any, payable.
- (iv) The Petitioner Companies shall comply with all the undertakings given by them.
- (v) The Petitioner Companies shall take all consequential and statutory steps required under the provisions of the Act in pursuance of the Scheme.
- (vi) The Petitioner Companies shall take all consequential and statutory steps required under the provisions of the Act in pursuance of the Scheme.
- (vii) All concerned shall act on a copy of this Order along with the Scheme duly authenticated by the Registrar of this Tribunal.

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

**Sd/-**

**SHYAM BABU GAUTAM**  
**(MEMBER TECHNICAL)**

**Sd/-**

**KULDIP KUMAR KAREER**  
**(MEMBER JUDICIAL)**