

Godrej Industries Ltd.  
Regd. Office : Godrej One,  
Pirojshanagar,  
Eastern Express Highway,  
Vikhroli (E), Mumbai - 400 079. India  
Tel. : +91-22-2518 8010/8020/8030  
Fax: +91-22-2518 8068/8063/8074  
Website : www.godrejindustries.com  
CIN : L24241MH1988PLC097781

Date: 17<sup>th</sup> December, 2018

To,

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400001

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

Ref: BSE Scrip Code: 500164

Ref: NSE Scrip Code: GODREJIND

**Sub: Approval of the National Company Law Tribunal (NCLT), Mumbai Bench to the Scheme of Amalgamation of Vora Soaps Limited with Godrej Industries Limited and their respective Shareholders pursuant to provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013**

Dear Sir/Madam,

This is with reference to our letter dated 14<sup>th</sup> December, 2017, informing you about the decision of the Board of Directors of Godrej Industries Limited approving the Scheme of Amalgamation of Vora Soaps Limited ('VSL' or 'the Transferor Company') with Godrej Industries Limited ('GIL' or 'the Transferee Company') and their respective Shareholders pursuant to provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ('Scheme'), subject to receipt of applicable regulatory and other approvals.

In this regard, we are pleased to inform you that the Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble NCLT') has passed an order sanctioning the Scheme on 14<sup>th</sup> December, 2018 with 'Appointed Date' of 14<sup>th</sup> December, 2017. An uncertified copy of the said Order is made available on the NCLT's website on 17<sup>th</sup> December, 2018 (copy of the same is enclosed for your records).



The Godrej logo, featuring the word "Godrej" in a stylized, colorful font with a red outline.

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The Scheme will become effective once the Order of the Hon'ble NCLT is filed by VSL and GIL with the Registrar of Companies, Mumbai.

Kindly take the aforesaid on record.

Thanking you,

Yours faithfully,

  
**For Godrej Industries Limited**  
**Tejpal Jariwala**  
**Company Secretary & Compliance Officer**  
**(FCS 9817)**



Encl : A/a



**IN THE NATIONAL COMPANY LAW TRIBUNAL,**

**MUMBAI BENCH**

**C.P.(CAA)2716/MB/2018**

**IN**

**C.A(CAA)137/MB/2018**

In the matter of the Companies Act, 2013;

**AND**

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013;

**AND**

In the matter of Scheme of Amalgamation of Vora Soaps Limited ('the Transferor Company' or 'the First Petitioner Company') with Godrej Industries Limited ('the Transferee Company' or 'the Second Petitioner Company') and their respective Shareholders

**Vora Soaps Limited** is a company incorporated under the Companies Act, 1956 with its registered Office at Eastern Express Highway, Vikhroli, Mumbai - 400079

**.....First Petitioner Company**

**Godrej Industries Limited** is a company incorporated under the Companies Act, 1956 with its registered Office at Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400079

**.....Second Petitioner Company**

**Order delivered on 14.12.2018**

**Coram:**

Hon'ble **V.P Singh**, Member (Judicial)

Hon'ble **Ravikumar Duraisamy**, Member (Technical)

**For the Petitioner(s):** Mr. JanakDwarkadas, Senior Counsel  
Mr. Gaurav Joshi, Senior Counsel and  
Mr. Hemant Sethii/b Hemant Sethi & Co

**For Regional Director:** Mr. S. Ramakantha, Joint Director

**Per Ravikumar Duraisamy, Member**



**Order**

1. The Learned Counsel for the Petitioners states that the present scheme is a Scheme of Amalgamation of Vora Soaps Limited with Godrej Industries Limited and their respective shareholders ('Scheme' or 'Scheme of Amalgamation'). This Scheme of Amalgamation is proposed to merge the First Petitioner Company i.e. the Transferor Company with the Second Petitioner Company i.e. Transferee Company. The Counsel for the Petitioners further states that the Transferor Company and the Transferee Company have approved the said Scheme by passing the Board Resolutions dated 14th December, 2017 and for the purpose of the Scheme, the Appointed Date shall be the Effective date in accordance with the applicable Ind AS.
2. Heard the Learned Counsel for the Petitioner Companies. No objector has come before this Hon'ble Tribunal to oppose the Scheme nor has any party controverted any averments made in the Petition.
3. The sanction of this Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 to a Scheme of Amalgamation of Vora Soaps Limited ('the Transferor Company') with Godrej Industries Limited ('the Transferee Company') and their respective Shareholders.
4. The Learned Counsel for the Petitioner Companies submits that the First Petitioner Company i.e. the Transferor Company is a promoter holding company and has no other significant business



activity and the Second Petitioner Company i.e. the Transferee Company is engaged in the businesses of manufacture and marketing of oleo-chemicals, their precursors and derivatives, bulk edible oils, estate management and investment activities.

5. The Transferor Company and the Transferee Company have approved the said Scheme having Appointed Date as the Effective date by passing the Board Resolutions dated December 14, 2017 which is annexed to the Company Scheme Petition No. 137 of 2017 and thereafter have approached the Tribunal for sanction of the Scheme.

6. The Learned Counsel for the Petitioner Companies further submits the rationale for the Scheme is as follows:

The First Petitioner Company is the holding company of the Second Petitioner Company, which in turn is the holding company of Godrej Properties Limited ('GPL') and Godrej Agrovet Limited ('GAVL').

The proviso to clause (87) of section 2 of the Companies Act, 2013 and the Companies (Restriction on number of Layers) Rules, 2017 ('Rules') were notified on 20th September, 2017. The Rules provide that no company (subject to certain exceptions) shall have more than two layers of subsidiaries.

Due to this recent amendment, GPL and GAVL (being the second layer companies in the holding structure) have been covered under restriction of the aforesaid amendment and cannot incorporate any new subsidiary or step down subsidiary or acquire a company or LLP with controlling stake.

GPL, being in the business of real estate development, is required to incorporate new subsidiaries frequently to start new projects wherein a land owner or joint developer or financial investor or all can be brought in as a partner. Similarly, GAVL has been entering into joint ventures with different strategic investors for different line of business activities. It has also been acquiring companies for inorganic growth.

The recent amendment has resulted in significant inflexibility for GPL and GAVL to conduct their business. Hence, it is now imperative to eliminate one layer so that GPL and GAVL can operate their business through subsidiaries also. Hence it is proposed to merge the First Petitioner Company with the Second Petitioner Company.

Thus, the Amalgamation of Vora Soaps Limited with Godrej Industries Limited would have the following benefits:

- Reduction of one layer of company in the holding structure, and
- Enhanced flexibility to listed subsidiaries of the Second Petitioner Company, viz. GPL and GAVL to incorporate subsidiaries and / or acquire companies or LLPs with controlling stake as per their business strategies.

7. The Learned Counsel appearing on the behalf of the Petitioner Companies states that the Petition has been filed in consonance with the Order of this Tribunal passed in the Company Scheme Application No. 137 of 2018 of the Hon'ble Tribunal.

8. The Learned Counsel for the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per the directions of this Tribunal and they have



filed necessary Affidavits of compliance in the Tribunal. Moreover, the Petitioner Companies through their Counsel undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 2013 and the rules made there under. The said undertaking is accepted.

9. The Regional Director has filed his Report dated 13<sup>th</sup> August, 2018, *inter-alias* stating therein that save and except as stated in paragraph IV, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph IV of the said Report, the Regional Director has stated that:

- (a) *In addition to compliance of AS-14 (IND AS-103) the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.,*
- (b) *As per Part-A Definitions Interpretation & Share Capital - Clause - 1.3 of the Scheme. "**Effective Date**" means the date on which the certified copy of the order of NCLT sanctioning this Scheme of Amalgamation, is filed by the Transferor Company and the Transferee Company with the Registrar of Companies, Mumbai; For the purpose of this Scheme, **the Appointed Date shall be the Effective Date**. As per Part-A Definitions Interpretation & Share Capital - Clause - 2 of the Scheme. "**Date of Taking Effect**" the scheme set out in its present form or with any modifications approved or imposed or directed by NCLT, shall effective form the Appointed Date. In this regard it is submitted that the "**Appointed Date**"&"**Effective Date**" shall be as per provisions of section 232(6) of the Companies Act, 2013 and not as specified in the above said*



*clauses of the scheme. In the absence of any specific "Appointed Date" and noncompliance of provisions of section 232(6) of the Companies Act, 2013 the Scheme deserves to be rejected;*

- (c) As Godrej Industries Limited, the Transferee Company is listed on and trading on BSE & NSE and in view of Part-B Listing of New Equity Shares of the Transferee Company - Clause-(9) of the Scheme. The petitioner be directed to file an affidavit to the extent it has complied with the directions of issued vide letter No. DCS/AMAL/AJ/R37/1060/2017-18 dated 08.03.2018 and NSE/LIST/14769 dated 12.03.2018, by BSE and NSE respectively.*
- (d) In view of the observations made by the ROC Mumbai, mentioned at para 13 above, Hon'ble NCLT may pass appropriate orders/ orders as deem fit.*
- (e) Hon'ble NCLT may kindly direct the petitioners to file an affidavit to the extent that the Scheme enclosed to Company Application & Company Petition, are one and same and there are no discrepancy/any change/changes are made, and liberty be given to Central Government to file further report if any required;*

10. In so far as the observation of the Regional Director, as stated in IV(a) of the report and reproduced hereinabove is concerned, the Second Petitioner Company undertakes that it shall pass such accounting entries as may be necessary in connection with the scheme to comply with all the applicable Indian Accounting Standards(IND AS).

11. In so far as the observation of the Regional Director, as stated in IV(b) of the report and reproduced hereinabove is concerned,

the Petitioner Companies have submitted that the Board of Directors of the Petitioner Companies have fixed the Appointed Date of the Scheme as 14<sup>th</sup> December, 2017.

12. With regard to the observation of the Regional Director about "**Appointed Date**" and "**Effective Date**" the Petitioner Companies have passed Board Resolution on 12.11.2018 fixing Appointed Date as 14.12.2017. Further, the Ld. Sr. Counsel Mr. Janak Dwaraka Das submitted that though the Transferee Company is a listed Company and the prices of shares of Transferee company fluctuates rapidly, since the Share Holders of Transferor Company gets only equal number of shares of Transferee Company, therefore, the Share Exchange Ratio is constant irrespective of fluctuation in the share price of the Transferee Company. Therefore, in the instant case, the appointed date can be any date accordingly the board of the respective petitioner companies fixed the appointed date as 14.12.2017.
13. Since, the issue of appointed date is being raised by Regional Director in few cases, we would like to clarify that the appointed date as per section 232(6) shall mean any calendar date which is approved by the board and the share holders of the Companies.
14. In so far as the observation of the Regional Director, as stated in IV(c) of the report and reproduced hereinabove is concerned, the



Transferee Company confirms that it has complied with the directions issued by BSE and NSE vide letter No. DCS/AMAL/AJ/R37/1060/2017-18 dated 08.03.2018 and NSE/LIST/14769 dated 12.03.2018, respectively.

15. As far as the observation of the Regional Director, as stated in IV(d) of the report and reproduced hereinabove is concerned , the Petitioner Companies submit that the paid-up share capital of the Transferee Company mentioned in Clause 3.2 of the Scheme relates to the paid-up share capital of the Transferee Company as on date on the approval of the Scheme by the Board of Directors of the Petitioner Companies on 14th December, 2017. After the approval of the Scheme by the Board of Directors, the Transferee Company has allotted 3,437 equity shares and 1,08,182 equity shares to some employees of the Company on 13th March, 2018 and 13th June, 2018 respectively pursuant to Godrej Industries Limited – Employee Stock Grant Scheme, 2011. After considering the said allotment post 14th December 2017, the paid-up capital of the Transferee Company is matching with MCA Master Data.

16. Further, as far as the other observation of ROC Mumbai is concerned, the complaint against the Transferee Company relates to a matter unconnected with the Scheme. Appropriate reply to the same has been filed by the Transferee Company. Further, the complaint neither refers to the present Scheme nor



refers to any adverse impact that the Scheme would have on the complainant. Further, the Scheme does not envisage any compromise to the public shareholders of the Transferee Company and hence the interest of the shareholders would not be adversely affected pursuant to the Scheme. The complainant cannot resort to the present forum to get his grievances settled and has no locus standi in the present Scheme. Further, the Petitioner Companies respectfully submit that the Transferee Company shall continue to remain in existence post the approval of the Scheme and the complainant shall continue to have his rights of redressal and claims, if any, against the Transferee Company in the appropriate forum. The Registrar of Companies, Mumbai is at liberty to proceed in accordance with law and the matter will be addressed in accordance with the provisions of law.

17. In so far as observation made in paragraph IV (e) of the Report of Regional Director is concerned, the Petitioner Companies state that the Scheme enclosed to the Company Scheme Application No. 137 of 2018 and the Company Scheme Petition No. 2716 of 2018 are one and the same and there is no discrepancy or change in the Scheme and liberty be given to Central Government to file further report, if any required, and an affidavit to the same effect has been filed by the Petitioner Companies with the Hon'ble NCLT and the office of the Regional Director on 10<sup>th</sup> October, 2018.

18. The observations made by the Regional Director have been explained by the Petitioner Companies in paragraphs 10 to 15 above. The clarifications and undertakings given by the Petitioner Companies are hereby accepted.
19. The Official Liquidator has filed his report dated 7<sup>th</sup> August 2018 on 8<sup>th</sup> August, 2018 inter alia, stating therein that the affairs of the Transferor Company have been conducted in a proper manner.
20. From the material on record, the Scheme appears to be fair, reasonable and is not violative to any provisions of law nor is contrary to public interest.
21. Since all the requisite statutory compliances have been fulfilled, the above Company Scheme Petition No. 2716 of 2018 is made absolute in terms of prayer and fixed the appointed date as 14.12.2017.
22. The Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with e-Form INC-28, in addition to physical copy, within 30 days from the date of receipt of the order from the Registry duly Certified by the Deputy Director or the Assistant Registrar, as the case may be, National Company Law Tribunal, Mumbai Bench.

23. The Petitioner Companies to lodge a copy of this order and the Scheme duly Certified by the Deputy Director or the Assistant Registrar, as the case may be, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of receipt of the Order.
24. Each Petitioner Company to pay costs of Rs. 25,000/- each to the Regional Director, Western Region, Mumbai and the First Petitioner Company to pay costs of Rs. 25,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the receipt of the duly Certified Copy of this Order.
25. For the sake of complete information dissemination, we direct the petitioner companies to advertise the status of approval granted by this Bench in the same News papers in which previous advertisements were issued and submit compliance of the same within 30 days from the date of receipt of copy of this order.
26. All the authorities concerned, to Act on a copy of this Order along with Scheme duly Certified by the Deputy Director or Assistant Registrar, as the case may be, National Company Law Tribunal, Mumbai Bench.

SD/-

**RAVIKUMAR DURAISAMY**  
**MEMBER (TECHNICAL)**

SD/-

**V.P. SINGH**  
**MEMBER (JUDICIAL)**