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15/7/19

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD**

CP (CAA) No. 54/2019 in
CA(CAA) No. 46/NCLT/AHM/2019

Coram: **Hon'ble Mr. HARIHAR PRAKASH CHATURVEDI, MEMBER JUDICIAL**
Hon'ble Ms. MANORAMA KUMARI, MEMBER JUDICIAL

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH
OF THE NATIONAL COMPANY LAW TRIBUNAL ON 04.07.2019**

Name of the Company: Gujarat Fluorochemicals Ltd.
Inox Fluorochemicals Ltd.

Section of the Companies Act: Section 230-232 of the Companies Act, 2013

<u>S.NO.</u>	<u>NAME (CAPITAL LETTERS)</u>	<u>DESIGNATION</u>	<u>REPRESENTATION</u>	<u>SIGNATURE</u>
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1.	Dharmishtha Raval	Advocate	Petitioner	} <u>Y. Thakore</u>
2.	Yuvraj Thakore	Advocate	Petitioner	

ORDER

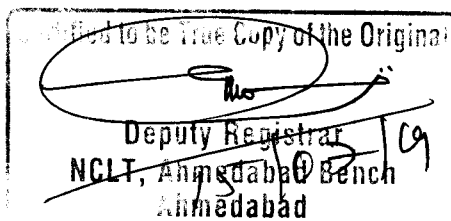
The petitioner is represented through learned counsel.

The Order is pronounced in the open court, vide separate sheet.

Manora
MANORAMA KUMARI
MEMBER JUDICIAL

Dated this the 4th day of July, 2019

Harihar
HARIHAR PRAKASH CHATURVEDI
MEMBER JUDICIAL



**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD**

CP (CAA) No.54 of 2019 in
CA (CAA) No.46 of 2019

In the matter of

Gujarat Fluorochemicals Limited
Having its registered office at
Survey No 16/3, 26 and 27,
Village Ranjitnagar,
Taluka Ghoghamba,
District Panchmahal,
Gujarat-389380

...Petitioner
(Demerged Company)

And

Inox Fluorochemicals Limited
Having its registered office at
Survey No 16/3, 26 and 27,
Village Ranjitnagar,
Taluka Ghoghamba,
District Panchmahal,
Gujarat-389380

...Petitioner
(Resulting Company)

Order delivered on 4th July, 2019.

Coram: Hon'ble Mr. Harihar Prakash Chaturvedi, Member (J)

And

Hon'ble Ms. Manorama Kumari, Member (J)

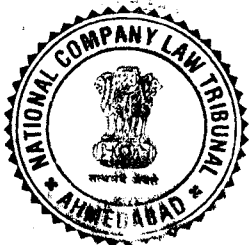
Appearance:

Ms. Dharmishta Raval, Advocate with Mr. Yuvraj Thakore, Advocate, for
the Applicant.

ORDER

[Per: Mr. Harihar Prakash Chaturvedi, Member (J)]

1. This present petition is filed jointly by Gujarat Fluorochemicals Limited and Inox Fluorochemicals Limited under Sections 230-232 of the Companies Act, 2013 seeking sanction for the proposed

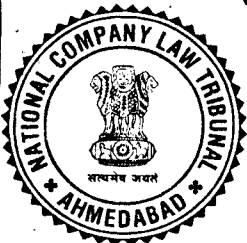


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Scheme of Arrangement between the Gujarat Fluorochemicals Limited ('The Demerged Company' or 'GFL 1') and the Inox Fluorochemicals Limited ('The Resulting Company' or 'GFL 2') and their respective Shareholders.

2. The Petitioner Demerged Company is a listed public limited company and its shares are listed on BSE Limited and National Stock Exchange of India Limited. Hence, in terms Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, the petitioner demerged company has obtained observation letters from the BSE Limited and the National Stock Exchange of India Limited which are placed on record.
3. The Petitioner Companies earlier had filed a joint application being Company Application (CAA) No.46 of 2019 before this Tribunal seeking dispensation of the meetings of Equity Shareholders of the Petitioner Resulting Company and to convene and to conduct separate meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Petitioner Demerged Company. This Tribunal, vide its order dated 28th March, 2019 made in CA (CAA) No.46/230-232/NCLT/AHM/2019, has directed dispensation of the meeting of Equity Shareholders of the Petitioner Resulting Company and further directed for convening of separate meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Petitioner Demerged Company and since there were no Secured and Unsecured

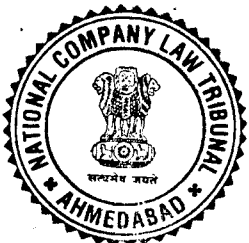


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Creditors of the Petitioner Resulting Company, no meetings were required to be convened as per the said order.

4. In compliance of the order passed by this Tribunal dated 28th March, 2019, notice along with explanatory statement required pursuant to Section 102 of the Act read with Sections 230 to 232 and Rule 6 of the Companies (CAA) Rules, 2016 along with prescribed form of proxy was sent to, the Equity Shareholders appearing on the records of the Petitioner Demerged Company as on 28th March, 2019 and to the Secured and Unsecured Creditors of the Petitioner Demerged Company appearing on the records of the Petitioner Demerged Company as on 28th February, 2019. The notice of convening the meetings was also published in English daily 'Business Standard', and Gujarati translation thereof in 'Divya Bhaskar' on 9th April, 2019. The affidavits were filed by the Chairman of the meetings of the Petitioner Demerged Company on 26th April, 2019, confirming compliance of the directions.
5. The aforesaid meeting of Equity Shareholders was duly convened and held on 11th May, 2019 and the Chairman had filed his report with regard to the result of the said meeting before this Tribunal by way of an affidavit on 13th May, 2019. On perusal of the same, the Scheme was approved with 98.72% voting of the members through e-voting and through poll representing 99.99% in value, which is the aggregate requisite majority of the Equity Shareholders, casting their votes either through e-voting or casting valid votes at the meeting.



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6. The aforesaid meetings of Secured Creditors and Unsecured Creditors were duly convened and held on 11th May, 2019 and the Chairman filed his report with regard to the result of the above said meetings before this Tribunal by way of affidavit on 13th May, 2019. A perusal of the same, it shows that the proposed company Scheme was approved by 100% of the Secured and Unsecured Creditors present and voting through poll representing 100% in value, which is the aggregate requisite majority of the Secured and Unsecured Creditors, casting their votes through valid votes through poll at the meeting.
7. This Tribunal also directed the Petitioner Companies to issue notices in Form No. CAA.3 to (i) the Central Government through the Regional Director, North Western Region; (ii) the Registrar of Companies, Gujarat; and (iii) the Income-tax authorities concerned; stating that representations, if any, to be made within a period of 30 days from the date of receipt of such notice, and in case no representation is received by the Tribunal within the stipulated period of 30 days, it should be presumed that these authorities have no representation to make. Further, it was also directed to the Petitioner Demerged Company to serve notice to (i) BSE Limited (BSE); and (ii) National Stock Exchange of India Limited (NSE). In compliance of the directions contained in the Order dated 28th March, 2019, it is submitted that the Petitioner Companies have served notices to the Central Government through the Regional Director, North Western Region, the Registrar of Companies, Gujarat and the Income-tax authorities concerned. The Petitioner Demerged Company has also served



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notices to BSE Limited, National Stock Exchange of India Limited and Securities and Exchange Board of India (SEBI). The Petitioner Demerged Company and the Petitioner Resulting Company has filed an affidavit confirming service of notice on the aforesaid authorities.

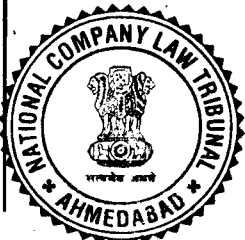
8. Thereafter, Petitioner Companies have moved the present company petition, bearing No.CP (CAA) No.54 of 2019 before this Tribunal seeking sanction of the proposed company Scheme.
9. This Tribunal by order dated 27th May, 2019, admitted the petition and directed issuance of notice hearing be advertised in "Business Standard ", and "Divya Bhaskar", by prescribing not less than ten days time before the date so fixed for hearing of the company Scheme Petition by inviting their response/comments/objection, if any, before the date of hearing. This Tribunal also directed to issue notice to Regional Director, Registrar of Companies, Official Liquidator and Income tax informing the date of hearing i.e. 24th June, 2019.
10. Pursuant to the aforesaid order of this Tribunal dated 27th May, 2019, the Petitioner Companies filed affidavit of service with this Tribunal on 19th June, 2019 by submitting the proof of publication made and also proof of issue of notice to the Regional Director, Registrar of Companies, Official Liquidator and Income tax. The Petitioner Demerged Company in addition to the above also served the Notices on NSE, BSE and SEBI.



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11. It is stated by the Petitioner Companies that pursuant to the Order dated 27th May, 2019 passed by the Tribunal and issuance of notices to the Regional Director, Registrar of Companies, Income tax, Official Liquidator and on publication of the notices, no representation is received.
12. The Petitioner Companies further submitted that apropos to the order dated 28th March, 2019, Regional Director filed his representation dated 24th May, 2019 and made certain observations.
13. In response to the representation of the Regional Director, dated 24th May, 2019, the Petitioner Companies have filed its reply dated 6th June, 2019, by giving their response and by dealing with all the observations made by the Regional Director in its representation stating as under;
 - i. *With reference to paragraph 2(c) of the RD representation the Petitioner Resulting Company undertakes to comply with the provisions of Section 61 of the Companies Act, 2013 and also as to the payment of stamp duty, registration fees etc. and file the relevant e-form with the respective Registrar of Companies.*
 - ii. *With reference to paragraph 2(d) of the RD representation, the Petitioner Demerged Company confirm that it has complied with the SEBI circular issued on 10.03.2017 and also with the directions conveyed by BSE and NSE in their letters.*
 - iii. *With reference to paragraph 2(e) of the RD representation, the Petitioner Demerged Company submits that it has complied with the FEMA and RBI guidelines, if any with respect to holding of shares by Non Resident Indians in the Petitioner Resulting Company.*
 - iv. *With reference to paragraph 2(g) of the RD representation, the Petitioner Demerged Company undertakes to comply with section*



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2(19AA) of the Income-tax Act in relation to the demerger in the said Scheme.

- v. With reference to paragraph 2(h) of the RD representation in relation to Clause No. 9 of the Scheme which provides for the transfer of Staff, Workmen and Employees of the Demerged Companies, the Petitioner Companies submits that Clause No. 4.1.9 of the Scheme provides that all 'Chemical Business Undertaking Employees' shall become the Employees of the Resulting Company on such terms and conditions as are no less favourable than those on which they are currently engaged by the Demerged Company, without any interruption of service as a result of this hiving-off, without any further act, deed or instrument on the part of the Demerged Company or the Resulting Company. Further, the said term of 'Chemical Business Undertaking Employees' is defined in Sub Clause (f) of Clause No. 1.7 of the Scheme which includes not only permanent employees but also the rest of the employees/personnel engaged on contract basis and contract labourers and interns/ trainees, both on-shore and off-shore, as are primarily engaged in or in relation to the Chemical Business Undertaking, business, activities and operations pertaining to the Chemical Business Undertaking, at its respective offices, branches etc., and any other employees/personnel and contract labourers and interns/trainees hired by the Demerged Company after the date hereof who are exclusively engaged in or in relation to the Chemical Business Undertaking, business, activities and operations pertaining to the Chemical Business Undertaking. Accordingly, Petitioner Demerged Company submits that the Scheme provides for transfer of all the employees relating to the Chemical Business Undertaking of the Petitioner Demerged Company to the Petitioner Resulting Company.
- vi. With reference to paragraph 2(i) of the RD representation, the Petitioner Companies undertake that it will comply with the provisions of Section 13 of the Companies Act, 2013, including fees and charges for alteration of the name (besides payment of stamp duty payable as per rules for transfer of assets to Petitioner Resulting Company on demerger) of the Petitioner Demerged Company to 'GFL Limited' and Petitioner Resulting Company to 'Gujarat Fluorochemicals Limited'. Further, we place on record the justification for the said clause regarding the change in name of the Petitioner Companies as under:



J. K. J.

"Gujarat Fluorochemicals Limited, a company incorporated in 1987 has been in the Chemical business since its inception. The Company being majorly engaged in the Chemical business is also a Holding Company for Inox Wind Limited engaged in the Wind energy business and Inox Leisure Limited engaged in the entertainment business.

Pursuant to the Scheme, the Chemical business is proposed to be demerged in its subsidiary which will subsequently be listed and shall be engaged only in the Chemical business. In light of the investors interest itself, it is proposed to change the name of the Resultant Company to Gujarat Fluorochemicals Limited since the resultant entity shall only be engaged in the Chemical business.

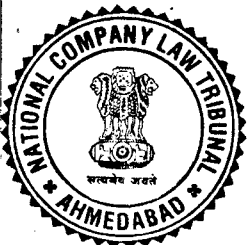
Further, pursuant to the above name change of the Resultant Company, the name of the Demerged Company is required to be changed. As the Group has always been known as GFL, the said name of 'GFL Limited' is proposed for the Demerged Company.

Hence the Resultant Company which will be carrying on the Chemical business shall be known as 'Gujarat Fluorochemicals Limited' and the Demerged Company holding investments in other entities shall be known as 'GFL Limited'."

vii. *With reference to paragraph 2(j) of the RD representation, the Petitioner Companies undertakes to pay such legal fees as is quantified by this Hon'ble Tribunal.*

14. The Petitioner Companies have also filed another affidavit dated 21st June, 2016 giving further response to the observations of the Regional Director.

i. *With reference to paragraph 2(c) of the RD representation the Petitioner Resulting Company submits that Clause 5.7 of the Scheme envisages that the issue and allotment of Equity Shares, is an integral part hereof and shall deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Petitioner Companies and their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be*

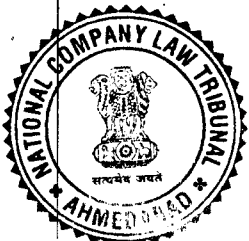


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applicable were duly complied with. Hence, the Petitioner Companies will only be required to comply with the provisions of Section 61 of the Companies Act, 2013 relating to the payment of stamp duty, registration fees etc. and file the relevant e-form with the respective Registrar of Companies on the approval of the Scheme. The Petitioner Companies undertakes to do so.

- ii. *With reference to paragraph 2(i) of the RD representation, the Petitioner Companies submits that the Clause 14 of the Scheme provides that Memorandum of Association and Articles of Association of the Resulting Company shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 13, 14 and 16 of the Companies Act, 2013 or any other applicable provisions of the Act, would be required to be separately passed. Hence, the Petitioner Company will only be required to comply with the provisions of Section 13 of the Companies Act, 2013, relating to fees and charges for alteration of the name (besides payment of stamp duty payable as per rules for transfer of assets to Petitioner Resulting Company on demerger) of the Petitioner Demerged Company to 'GFL Limited' and Petitioner Resulting Company to 'Gujarat Fluorochemicals Limited'. The Petitioner Companies undertakes to do so.*
- iii. *It is further submitted that under the accepted principles of Single window clearance, the Petitioner Companies are not required to carry out separate procedure as submitted by the RD under the provisions of Section 13 and 61 of the Companies Act, 2013. However, the Petitioner Companies undertakes to comply with such directions as may be given by this Hon'ble Tribunal.*

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15. We heard learned Advocate, Ms. Dharmishta Raval with Mr. Yuvraj Thakore, Advocates, for the Petitioner Companies.
16. Considering the entire facts and circumstances of the present company petition and on perusal of the proposed company Scheme and the documents annexed therewith, it appears that the requirements of the provisions of Sections 230 and 232 of the Companies Act, 2013 are satisfied. The Scheme appears to be genuine and bonafide and in the interest of the Shareholders.
17. Accordingly, the petition is allowed. The proposed Company Scheme of Arrangement, which is as Annexure-F to the present joint company petition, is hereby sanctioned with such direction and declaration that the sanctioned company scheme shall be binding on the petitioners companies, viz., Gujarat Fluorochemicals Limited and Inox Fluorochemicals Ltd., their Shareholders, and all concerned under the Company Scheme.
18. It is further ordered that the Petitioner Companies shall comply with Rule 17(2) of Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 with respect to filing of Order, if any, for confirmation of the Scheme in Form INC-28 with the Registrar of Companies, Gujarat.
19. The legal fees/expenses of the office of the Regional Director are quantified at Rs.25,000/- in respect of the petitioner companies. The said fee to the Regional Director shall be paid





Signature

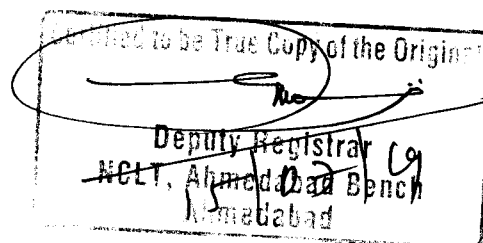
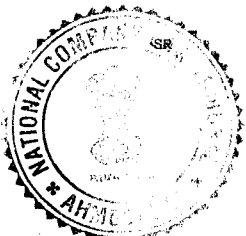
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by the Petitioner resulting company, i.e. M/s.Inox Fluorochemicals Limited.

20. Filing and issuance of drawn up orders are dispensed with. All concerned authorities to act on a copy of this Order along with the Scheme duly authenticated by the Registrar of this Tribunal. The Registrar of this Tribunal shall issue the certified copy of this Order along with the Scheme immediately.
21. The petitioner companies are further directed to lodge a copy of this order, the schedule of immovable assets of the De-merged Undertaking of the De-merged company as on the date of this order and the Scheme duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty, if any, on the same within 60 days from the date of the order
22. The Petitioner companies are directed to file a copy of this order along with a copy of the scheme with the concerned Registrar of Companies, electronically, along with INC-28 in addition to physical copy as per relevant provisions of the Act
23. This Company Petition is allowed and disposed of accordingly.


Manorama Kumari
Member (Judicial)


Harihar Prakash Chaturvedi
Member (Judicial)



Date of pronouncement of Order: 4/8/17
Date on which application for Certified Copy was made: 4/8/17
Date on which Certified Copy was ready: 9/5/17
Date on which Certified Copy delivered: 9/5/17

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH, AT AHMEDABAD

COMPANY PETITION (CAA) NO. 54 OF 2019

CONNECTED WITH

COMPANY APPLICATION (CAA) 46 OF 2019

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

And

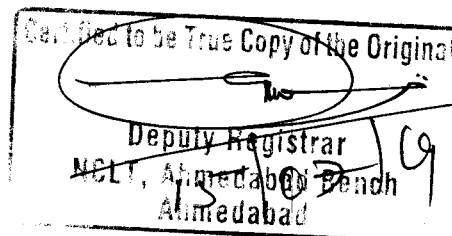
In the matter of sections 230 - 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013

And

In the matter of Scheme of Arrangement between Gujarat Fluorochemicals Limited ('The Demerged Company' or 'GFL 1') and Inox Fluorochemicals Limited ('The Resulting Company' or 'GFL 2') and their respective Shareholders

Gujarat Fluorochemicals)
Limited, a company incorporated)
under the provisions of the)
Companies Act, 1956 and)
having its registered office at)
Survey No 16/3, 26 and 27,)
Ranjitnagar Village, Taluka)
Ghoghamba, Panchmahal)
District, Gujarat-389380)Petitioner Demerged Company

Inox Fluorochemicals Limited, a)
company incorporated under the)
provisions of the Companies Act,)
1956 and having its registered)
office at Survey No 16/3, 26 and)



27, Ranjitnagar Village, Taluka)

Ghoghamba, Panchmahal)

District, Gujarat-389380

)Petitioner Resulting Company

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**GUJARAT
FLUORO CHEMICALS
LIMITED**

(An ISO9001, ISO14001 and ISO45001 Company)

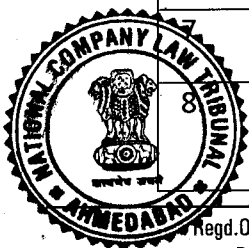
ABS Towers, 2nd Floor, Old Padra Road, Vadodara - 390 007, Gujarat, India

Tel.: +91 (265) 2330057
Tel.: +91 (265) 6198111
Fax: +91 (265) 2310312
Email: contact@gfl.co.in
www.gfl.co.in

List of assets forming part of the Chemical Business Undertaking (as defined in the Scheme) of Gujarat Fluorochemicals Limited ('The Demerged Company' OR 'GFL 1') as on 31.03.2019 to be transferred to Inox Fluorochemicals Limited ('The Resulting Company' OR 'GFL 2') pursuant to the Scheme of Arrangement sanctioned by Hon'ble National Company Law Tribunal, Ahmedabad Bench.

**PART - I
FREEHOLD PROPERTIES OF THE DEMERGED COMPANY**

Sr. No.	Survey No.	Area	Description
1.	-	Plot area 43056 sq ft Tower A + B - 66870 sq ft	Inox Towers, 17, Sector 16-A, Institutional Area, Noida, State Uttar Pradesh [Owned Office Building (Land on lease)]
2.	-	3798 Sq. ft and four allotted car parking in the building	612-618, Narain Manzil, 23, Barakhamba Road, New Delhi - 110 003 [Owned Office Building (Land on lease)]
3.	Cadastral Survey No. 2 (part) ,3& 1/3 of Worli Division, bearing Survey Nos.3345,3347 & 1A/03345	4651 sq ft (super built up area)	7 th floor, Ceejay House, Dr. Annie Besant Road, Worli, Mumbai 400 018 State Maharashtra. [Owned Office Building (Land on lease)]
4.	Survey no 1834 & 1837	5405 sq ft	Survey no 1834 & 1837, ABS Towers, Second Floor, Old Padra Road, Vadodara 390 007, State Gujarat
5.	Survey no 1834 & 1837	5405 sq ft	Survey No 1834 & 1837, ABS Towers, Third Floor, Old Padra Road, Vadodara 390007, State Gujarat
6.	Survey no 1834 & 1837	5405 sq ft	Survey No 1834 & 1837, ABS Towers, Fourth Floor, Old Padra Road, Vadodara 390007, State Gujarat
	Revenue Survey No. 87	Plot area 5690 sq ft	3, Charotar Society, Old Padra Road, Vadodara 390007, State Gujarat
	Survey no 16/3	13962 sq. mt	Survey no 16/3, Village Ranjitnagar, Taluka Ghoghamba, District Panchmahal, State Gujarat



Regd. Office : Survey No.16/3, 26,27 Ranjitnagar - 389 380, Tal. Ghoghamba, Dist. Panchmahals, Gujarat, India. Telefax: +91 2678 248 153

Delhi Office: INOX Towers, 17 Sector 16A, Noida 201 301, Uttar Pradesh, India. Tel: +91 120 306 3600 Fax: +91 120 6149600

Mumbai Office: 68 Jolly Maker Chambers II, Nariman Point, Mumbai-400 021, Maharashtra, India. Tel: +91 22 2202 0390 / 2204 0379 / 2204 1860 Fax: +91 22 2202 5588

CIN: L24110GJ1987PLC009362