



**SECRETARIAL DEPARTMENT**

Jekegram, Pokhran Road No. 1, Thane (W) - 400 606  
Maharashtra, India  
CIN No.: L17117MH1925PLC001208  
Tel: (91-22) 4036 7000 / 6152 7000  
Fax: (91-22) 2541 2805  
www.raymond.in

March 31, 2022

To

The Department of Corporate Services – CRD  
**BSE Limited**  
P.J. Towers, Dalal Street,  
Mumbai - 400 001.  
Scrip Code: 500330

**The National Stock Exchange of India Ltd**  
Bandra-Kurla Complex  
Bandra (East), Mumbai – 400051.  
Symbol: RAYMOND

Luxembourg Stock Exchange  
Societe De La Bourse De Luxembourg,  
35A, Boulevard Joseph II,  
L-1840 Luxembourg  
Trading Code : USY721231212

Dear Sir/Madam,

**Sub: Intimation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Scheme of Arrangement between Raymond Apparel Limited and Raymond Limited**

This is in continuation of our letter no. RL/SE/AC/21-22/45 dated September 27, 2021 informing about the Scheme of Arrangement between Raymond Apparel Limited (“RAL” or “the Demerged Company”) and Raymond Limited (“RL” or “the Resulting Company” or “the Company”) pursuant to Section 230-232 and other relevant provisions of the Companies Act, 2013 read with the Rules made thereunder providing for demerger of the business undertaking of RAL comprising of B2C business including Apparel business (as defined in the Scheme) into the Company on a going concern basis (‘the RAL Scheme’) and subsequent updates thereon, submitted from time to time.

In the said matter, we would like to inform you that the Hon'ble National Company Law Tribunal, Mumbai Bench (“NCLT”) has on March 23, 2022 pronounced the Order sanctioning the Scheme with the Appointed Date of the Scheme as 01.04.2021.

The Company is yet to receive the certified true copy of the Order. A copy of the Order uploaded by NCLT on its website on March 31, 2022 is annexed herewith for your reference and record.



**REGISTERED OFFICE**

Plot No. 156/H No. 2, Village Zadgaon  
Ratnagiri - 415 612, Maharashtra  
Tel: (02352) 232514  
Fax: (02352) 232513

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We would further like to inform that considering the transfer of business undertaking from RAL to the Company, there would be no change in the Issued, Paid-up and Listed Capital of the Company.

Thanking you,

Yours faithfully,  
For **Raymond Limited**



**Rakesh Darji**  
**Director - Secretarial & Company Secretary**



Encl.: a/a

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

C.P.(CAA)/31/MB/ 2022  
IN  
C.A. (CAA)/220/ MB/ 2021

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 read with rules framed thereunder

AND

In the matter of Scheme of Arrangement  
between Raymond Apparel Limited ('RAL' or  
'the Demerged Company') and Raymond  
Limited ('RL' or 'the Resulting Company') and  
their respective shareholders ("Scheme")

**RAYMOND APPAREL LIMITED**, a company incor- )  
porated under the Companies Act, 1956 and having )  
its registered office at Jekegram, Pokhran Road )  
No.1, Thane 400606, Maharashtra. )  
CIN: U18109MH2006PLC262077 ) ...the Demerged Company/  
First Petitioner Company

**RAYMOND LIMITED**, a company incorporated un- )  
der the Companies Act, 1956 and having its regis- )  
tered office at Plot No 156/H No. 2, Village Zadgaon, )  
Ratnagiri - 415612, Maharashtra. )  
CIN: L17117MH1925PLC001208 ) ...the Resulting Company/  
Second Petitioner Company

*Hereinafter together referred to as Petitioner Companies*

Order delivered on 23<sup>rd</sup> March, 2022

Coram:

Hon'ble Smt. Suchitra Kanuparthi, Member (Judicial)

Hon'ble Smt. Anuradha Sanjay Bhatia, Member (Technical)

Appearances (via videoconferencing):

For the Petitioners: Mr. Hemant Sethi, Advocate a/w Ms. Vidisha Poonja,  
Advocate, i/b Hemant Sethi & Co., Advocates

For the Regional Director (WR): Ms. Rupa Sutar, Deputy Registrar,  
appearing on behalf of Regional Director (WR)

*Per: Suchitra Kanuparthi, Member (Judicial)*

## **ORDER**

1. Heard Learned Counsel for the Petitioner Companies. No objector has come before the Tribunal to oppose the petition and nor has any party controverted any averments made in the petition.
2. The sanction of this Tribunal is sought under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('Act') and in the matter of Scheme of Arrangement between Raymond Apparel Limited ('RAL' or 'the Demerged Company') and Raymond Limited ('RL' or 'the Resulting Company') and their respective shareholders ("Scheme"), for demerger of the Business Undertaking of RAL into RL, under the provisions of Section 230 to 232 of the Companies Act, 2013.
3. The Learned Counsel for the Petitioner Companies submits that the First Petitioner Company is engaged in the business branded B2C shirts.

4. The Learned Counsel for the Petitioner Companies submits that the Second Petitioner Company through its subsidiaries and joint venture companies, has *inter alia* transformed from an Indian textile player to a large, diversified group having a leading position in textile and apparel business and a formidable position across varied other businesses such as FMCG, auto components, tools and hardware and denim manufacturing in Indian and global markets. It also has a real estate division.
  
5. The Counsel for the Petitioner Companies further submits that the rationale for the Scheme is as under:

The Board of Directors of the Demerged Company and the Resulting Company, after deliberation, recommended that post-COVID 19, it would be beneficial to create a focused B2C business by way of consolidation of apparel business into the Resulting Company to achieve the synergies.

Since the business of the Business Undertaking will supplement the business of the Resulting Company, the consolidation of the Business Undertaking with the business of the Resulting Company is expected to provide *inter alia* the following benefits:

- (a) The consolidation will result in earning predictability, stronger revenue, and improved competitiveness, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders. This will result in strong presence across market segments, provide access to new markets and product offerings. Further, the operations of the Business Undertaking could have access to the Resulting Company's marketing capabilities;
- (b) Synergy benefits in design & innovation, sourcing, and retail network expansion;

- (c) Reduction in overheads, administrative, managerial, and other expenditure;
  - (d) Operational rationalization and increase in operating efficiency;
  - (e) Create enhanced value for the shareholders of the Resulting Company;
  - (f) Enabling the Resulting Company to have a focused strategy and specialization for sustained growth and profitability; and
  - (g) Clear strategic roadmap towards improved performance outlook and increased investor confidence.
6. The Petitioner Companies have approved the Scheme by passing their respective Board Resolutions dated September 27, 2021 and have approached the Tribunal for sanction of the Scheme.
7. Learned Counsel for the Petitioner Companies submits that the Petition has been filed in consonance with the order dated November 11, 2021 passed by this Tribunal in CA(CAA)/220/MB/2021.
8. Learned Counsel for the Petitioner Companies states that the Petitioner Companies have complied with all the requirements as per the directions of this Tribunal.
9. The Learned Counsel for the Petitioner Companies states that the shares of the First Petitioner Company are not listed on any stock exchanges and that the shares of Second Petitioner Company are listed on Bombay Stock Exchange and National Stock Exchange of India and its global depository receipts are listed on Luxembourg Stock Exchange.
10. The Regional Director has filed his report dated March 2, 2022 ('Report') praying that this Tribunal may pass such orders as it thinks fit, save and except as stated in paragraphs IV (a) to (i). In response to the observations made by the Regional Director, the Petitioner

Companies have also given necessary clarifications and undertakings vide their rejoinder affidavit dated March 7, 2022. In response to the rejoinder affidavit, the Regional Director has filed his Supplementary Report dated March 10, 2022. The observations made by the Regional Director and the clarifications and undertakings given by the Petitioner Companies are summarized in the table below:

Sr. No. Para No. (IV)	RD Report/ Observations Dated March 2, 2022	Response of the Petitioner Companies
(a)	<i>In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standard's such as AS-5(IND AS-8) etc.</i>	As far as the observations made in paragraph IV (a) of the Report of Regional Director is concerned, the Petitioner Companies undertake that in addition to complying with the conditions of AS-14 (IND AS-103); the Petitioner Companies undertakes to pass such accounting entries which are necessary to comply with all other applicable Accounting Standards such as AS-5 (IND AS-8), etc.

<p>(b)</p>	<p><i>The Petitioners under provisions of section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Compromise or arrangement. Further, the 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 is binding on the Petitioner Company(s).</i></p>	<p>Apropos the observations made in paragraph IV (b) of the Report of the Regional Director is concerned, the Petitioner Companies, submit that notices in accordance with Section 230(5) of the Companies Act, 2013 have been served upon the concerned Income Tax Authorities, Regional Director and Registrar of Companies. The Petitioner Companies further undertakes that the sanction of the Scheme by this Tribunal will not deter any authorities to deal with any of the issues arising after giving effect to the Scheme and that such issues arising out of the Scheme will be met and answered in accordance with the law.</p>
<p>(c)</p>	<p><i>The Hon'ble NCLT may kindly direct the Petitioners to file an undertaking to the extent that the Scheme enclosed to the Company Application and the scheme enclosed to the Company Petition are one &amp; same and there is no discrepancy or deviation.</i></p>	<p>So far as the observation in paragraph IV (c) of the Report of the Regional Director is concerned, the Petitioner Companies hereby submits that there is no discrepancy/any change in the Scheme of Arrangement at the time of filing of Application and Petition with the Hon'ble NCLT, Mumbai Bench, and that both the Schemes are one and the same.</p>



<p>(d)</p>	<p><i>As per the Definition of the Scheme</i></p> <p><b>"Appointed Date"</b> means 1<sup>st</sup> April, 2021;</p> <p><b>"Effective Date" or "coming into effect of this Scheme" or "upon the Scheme becoming effective"</b> means, for the purpose of this Scheme, the date on which the conditions specified in Clause 17 (i to iv) are complied with and the Scheme shall become operative from such date. All 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;</p> <p>Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by Ministry of Corporate Affairs.</p>	<p>Apropos the observations made in paragraph IV(d) of the Report of the Regional Director is concerned, the Petitioner Companies submits that the Appointed Date is 1st April 2021 and that the Petitioner Companies undertakes to comply with the clarifications issued vide circular no. F. No. 7/12/2019/CL-I dated 21.08.2019 issued by the Ministry of Corporate Affairs.</p>
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<p>(e)</p>	<p><i>As per Clause 11 of the Scheme,</i></p> <p><b>1. ACCOUNTING TREATMENT IN THE BOOKS OF THE DE- MERGED COMPANY AND THE RESULTING COM- PANY</b></p> <p><b>1.1. <u>Accounting Treatment in the books of the Demerged Company</u></b></p> <p>(i) <i>Upon the Scheme becoming effective, the book value of assets (ignoring revaluation, if any) and liabilities pertaining to the Business Undertaking as appearing in the books of accounts of the Demerged Company and being transferred to the Resulting Company shall be reduced from the book value of assets and liabilities of the Demerged Company, as appearing immediately before the effective date;</i></p> <p>(ii) <i>The difference between the value of assets and liabilities of the Business Undertaking as appearing in the books of accounts of the Demerged</i></p>	<p>Apropos the observations made in paragraph IV(e) of the Report of the Regional Director is concerned, the Petitioner Companies, undertakes that the surplus / deficit shall be adjusted to Capital Reserve Account. The Petitioner Companies further undertakes that the difference so credited to the 'Capital Reserve Account' will not be available for distribution of dividend.</p>
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*Company transferred pursuant to sub clause (i) of this clause shall be adjusted against Reserves.*

*(iii) Notwithstanding the above, the Board of Directors of the Resulting Company is authorised to account any of the balances in any other manner as may be deemed fit, in accordance with the Ind AS specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time.*

**1.2. Accounting Treatment in the books of the Resulting Company**

*Upon the Scheme, (having the appointed date of 1 April 2021 as per clause 1.3 of the Scheme), becoming effective, the Resulting Company shall give effect of the Scheme in its books of account in accordance with accounting prescribed under 'pooling of interest' method in accordance with the principles laid down in Appendix*

*C of Indian Accounting Standards (Ind AS) 103- Business Combinations as notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.*

*(i) All the assets and liabilities pertaining to the Demerged Company transferred to the Resulting Company under this Scheme, shall be recorded at their carrying values and in the same form as appearing in the books of Demerged Company;*

*(ii) The carrying amount of inter-company balances between the Demerged Company and the Resulting Company to the extent it pertains to the Business Undertaking transferred as per this Scheme, if any, appearing in the books shall stand cancelled / eliminated;*

*(iii) No adjustments shall be made to reflect fair values, or recognise any new assets or liabilities acquired from the Demerged Company. In case*

*of any difference in the accounting policy between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail and the difference, if any, shall be adjusted to Retained Earnings of the Resulting Company to ensure the accounting policies are harmonized;*

*(iv) The comparative financial information in respect of prior periods presented in the financial statements of the Resulting Company shall be restated for the accounting impact of this Scheme as stated above, as if this arrangement had occurred from the beginning of the comparative period presented in the financial statements;*

*(v) The difference, if any, between the carrying amounts of assets and liabilities of the Demerged Company transferred to the Resulting Company after giving effect of the elimination in 11.2(ii) above*

*shall be transferred to the capital reserve of the Resulting Company and presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of the Resulting Company.*

*Petitioner Companies have to undertake that the surplus / deficit shall be adjusted to Capital Reserve Account.*

*Further Petitioner Companies have to undertake that reserves shall not be available for distribution of dividend.*

(f)	<i>The inquiry has been conducted against the Petitioner Company viz. Raymond Limited (Resulting Company).</i>	Apropos the observations made in paragraph IV(f) of the Report of the Regional Director is concerned, the ongoing inquiry against Second Petitioner Company shall not be affected by the Scheme. Post the Scheme coming into effect, the Second Petitioner Company shall be surviving and will comply with all the necessary proceedings.
(g)	<i>Petitioner Companies shall undertake to submit statement of assets and liabilities of demerged company also undertake to submit brief details about what will remain with Raymond Apparel Limited (Demerged Company) after effect of this Scheme of Demerger.</i>	Apropos the observations made in paragraph IV(g) of the Report of the Regional Director is concerned, the Petitioner Companies undertakes to submit statement of assets and liabilities of the demerged company and also undertakes to submit brief details about what will remain with Raymond Apparel Limited (Demerged Company) after effect of this Scheme of Demerger. The statement of assets and liabilities of the Demerged Company and brief details about what will remain with Raymond Apparel Limited (Demerged Company) is attached and marked as <b>Annexure 'B'</b> to the Affidavit in Rejoinder.

<p>(h)</p>	<p><i>The resulting company viz Raymond Limited (Resulting Company) is a limited company. The Hon'ble Tribunal may be pleased to direct the Petitioner Company to issue the notice to the BSE / NSE and any other applicable regulatory authority.</i></p>	<p>Apropos the observations made in paragraph IV(h) of the Report of the Regional Director is concerned, the Resulting Company undertakes to issue notices to BSE / NSE and any other applicable regulatory authority. The Second Petitioner Company has already intimated and sent notices to BSE / NSE in relation to the following</p> <ul style="list-style-type: none"><li>-</li><li>- Approval of the Scheme by its board of directors dated September 27, 2021,</li><li>- order of NCLT for convening the meetings of equity shareholders and secured creditors dated November 16, 2021,</li><li>- notice of the meeting of equity shareholders dated November 24, 2021,</li><li>- outcome of the NCLT convened meeting of the equity shareholders dated December 27, 2021 and outcome of the NCLT convened meeting of the secured creditors dated December 30, 2021.</li></ul> <p>Acknowledgements of the said intimations and notices are attached and marked as Annexure C1, C2, C3, C4</p>
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		<p>and C5 respectively to the Affidavit in Rejoinder. Also, since the proposed scheme involves merger of a wholly owned subsidiary with its holding company, No Objection Certificate is not required to be obtained from BSE / NSE. Acknowledgements of the notices issued to other regulatory authorities - Regional Director (West), Registrar of Companies, Mumbai, Registrar of Companies, Pune and Income tax Authorities are attached and marked as Annexure C6, C7, C8, C9, C10 &amp; C11 respectively to the Affidavit in Rejoinder.</p>
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<p>(i)</p>	<p><i>ROC, Mumbai Report dated January 21, 2022 has inter alia mentioned that there are no prosecution, no technical scrutiny, no inquiry, no inspection, and no complaints pending against Petitioner Companies.</i></p> <p><i>Further mentioned that: -</i></p> <p style="padding-left: 40px;"><i>1. Interest of the creditors should be protected.</i></p> <p><i>Hon'ble tribunal may consider the observations pointed out by ROC, Mumbai in their report and decide the matter on merits.</i></p> <p><i>ROC, Pune Report dated January 5, 2022 has inter alia mentioned that there are no prosecution, no inspection and no complaints pending against Petitioner Companies.</i></p> <p><i>Further mentioned that: -</i></p> <p style="padding-left: 40px;"><i>2. The Demerged Company and Resulting Company both are neither vanishing nor shell company.</i></p> <p><i>Hon'ble tribunal may consider the observations pointed out by ROC, Pune in their report and decide the matter on merits.</i></p>	<p>Apropos the observations made in paragraph IV(i) of the Report of Regional Director is concerned,</p> <p>a. The Petitioner Companies undertakes that the interest of the creditors shall be protected.</p> <p>b. That both Demerged Company as well as Resulting Company are neither vanishing nor shell company.</p>
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11. The clarifications and undertakings given by the Petitioner Companies are accepted by this Tribunal.
12. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
13. Since the entire issued, subscribed and paid up share capital of the Demerged Company is held by the Resulting Company and/or its nominee/s, no shares will be issued pursuant to the demerger of the Business Undertaking by the Resulting Company to the Demerged Company.
14. Since all the requisite statutory compliances have been fulfilled, CP (CAA)/31/MB/2022 is made absolute in terms of the prayer clauses of the said Company Scheme Petition.
15. The Scheme is hereby sanctioned with the Appointed Date of April 01, 2021.
16. 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 e-form INC-28 within 30 days from the date of receipt of the certified copy of Order by the Petitioner Companies. The Scheme will become effective on being sanctioned by the Tribunal under the applicable provisions of the Act, as may be applicable, including Sections 230 to 232 of the Act.
17. The Petitioner Companies to lodge a copy of this Order along with the Scheme duly authenticated/ certified by the Deputy Director or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within 60 days from the

date of receipt of the certified Order from the Registry of this Tribunal.

18. All concerned regulatory authorities to act on a copy of this Order along with Scheme duly certified by the Deputy Registrar or the Assistant Registrar, National Company Law Tribunal, Mumbai Bench.
19. Any person interested is at liberty to apply to this Tribunal in the above matters for any directions that may be necessary.
20. Any concerned Authorities are at liberty to approach this Tribunal for any further clarification as may be necessary.
21. Ordered accordingly.

**Sd/-**

Anuradha Sanjay Bhatia  
Member (Technical)

**Sd/-**

Suchitra Kanuparthi  
Member (Judicial)