

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-I**

CP (CAA) NO. 201/MB/2025

IN

CA (CAA) NO. 142/MB/2025

*In the matter of the Companies Act,
2013;*

AND

In the matter of

*Sections 230 to Section 232 of the
Companies Act, 2013 and other
applicable provisions of the Companies
Act, 2013*

*read with Companies (Compromises,
Arrangements and Amalgamation)
Rules, 2016;*

AND

*In the matter of
The Scheme of Arrangement
Amongst*

Hindustan Unilever Limited
(Demerged Company)

And

Kwality Wall's (India) Limited
(Resulting Company)

And their respective Shareholders.

Hindustan Unilever Limited
[CIN: L15140MH1933PLC002030]

... First Petitioner Company

Blacksoil Capital Private Limited
[CIN: UI0505MH2025PLC437886]

... Second Petitioner Company

Order delivered on **30.10.2025**

Coram:

Shri. Prabhat Kumar
Hon'ble Member (Technical)

Shri Sushil Mahadeorao Kochey
Hon'ble Member (Judicial)

Appearances :

For the Applicant(s) : Senior Advocate Gaurav Joshi,
Adv. Tapan Deshpande and Adv.
Aekaanth Nair i/b. Cyril
Amarchand Mangaldas.

For the Regional Director (WR) : Mr. Bhagwati Prasad, Assistant
Director.

ORDER

1. Heard the Ld. Sr. Counsel for the Petitioner Companies. Except otherwise stated, neither objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petitions to the said Scheme.
2. The present Scheme is a Scheme of Arrangement amongst **Hindustan Unilever Limited** ("Petitioner Company No. 1"/ "Demerged Company") and **Kwality Wall's (India) Limited** ("Petitioner Company No. 2"/ "Resulting Company") and their respective Shareholders under Section 232 read with Section 230 and other applicable provisions of the Companies Act, 2013 ("Act").
3. The Board of Directors of the Petitioner Companies at their respective Board Meetings both held on **22nd January, 2025**, have passed resolutions approving the Scheme. The Appointed Date fixed under the Scheme is same as the Effective Date which means the date which is the first calendar date of the month following the month in which the

conditions and matters referred to in clause 20 of the Scheme have occurred or been fulfilled, obtained or waived, as applicable, in accordance with the Scheme.

4. The Sr. Counsel for the Petitioner Companies submits that the Petitioner Company No. 1 is one of India's leading private sector companies and is engaged in the business of manufacturing, marketing, distribution and sale of fast-moving consumer goods. The equity shares of the Petitioner Company No. 1 are listed on BSE Limited and National Stock Exchange of India Limited. The Petitioner Company No. 2 is a wholly owned subsidiary of Petitioner Company No. 1. The Petitioner Company No. 2 was incorporated to engage in the business of manufacture, marketing, distribution and sale of ice creams, frozen desserts (both dairy and non-dairy), frozen snacks, frozen vegetables and frozen processed food of all kinds. The equity shares of the Petitioner Company No. 2 are presently not listed on any stock exchange.
5. The Rationale for the Scheme is as follows:
 - a. *Following the announcement by the Demerged Company's parent entity, Unilever PLC, of its intention to separate its ice cream business globally, the Board of the Demerged Company had undertaken a comprehensive review and had decided to separate the Ice Cream Business Undertaking in view of its different operating model, including differentiated infrastructure for supply and distribution, capital allocation needs, distinct channel landscape and go-to-market strategy.*
 - b. *After due consideration, the Board of the Demerged Company has proposed to undertake the separation of the Ice Cream Business Undertaking (as defined in the Scheme) by way of the Scheme which contemplates the Demerger of the Ice Cream Business Undertaking*

(as defined in the Scheme) to the Resulting company, to create an independent listed ice-cream company. This would be in the best interests of the Demerged Company and the Resulting Company, and their respective shareholders, creditors, employees and other stakeholders on account of the following:

- (i) the Demerger will result in the separation of the Ice Cream Business Undertaking from the Remaining Business (as defined in the Scheme), which will enable these companies to sharpen focus on their respective businesses and strategies in pursuit of their respective growth and value creation models;*
- (ii) the Ice Cream Business Undertaking (as defined in the Scheme) operates in an attractive high-growth category and has built iconic brands such as 'Kwality Wall's', 'Cornetto' and 'Magnum' and the Demerger would create a leading listed ice cream company in India, which will have a focused management with greater flexibility to deploy strategies suited to its distinctive operating model and market dynamics, to realise its full potential;*
- (iii) the Resulting Company will have ability to benefit from the portfolio, brand and innovation resources and technical expertise from the largest global ice cream business enabling it to keep winning in the market space;*
- (iv) the Demerger will enable the Demerged Company to drive sharper focus in the business as it further accelerates its play in high-growth demand spaces, strengthening its future fit portfolio;*
- (v) the Demerger would unlock value for all shareholders of the*

Demerged Company and give them the flexibility to stay invested in the growth journey of the Ice Cream Business Undertaking (as defined in the Scheme); and

(vi) the Demerger will facilitate a smoother transition for the Ice Cream Business Undertaking (as defined in the Scheme) and its people.

6. The Petitioner Companies submit that the Company Scheme Petition has been filed in consonance with the order delivered on **11th June, 2025** in Company Scheme Application No. *CA(CAA)142/MB/2025* and the Petitioner Companies have complied with all the requirements as per the directions of this Tribunal. The Petitioner Companies further submits that the Petitioner Companies shall comply with all statutory requirements, if any, as required under the Act and rules and Regulations made thereunder. The said undertaking is accepted.

7. The Sr. Counsel for the Petitioner Companies submits that the consideration as set out in clause 9 of the Scheme and in the Share Entitlement Ratio Report issued by the registered valuer M/s. Deloitte India Valuation LLP, Registered Valuer supported by a Fairness Opinion issued by Kotak Mahindra Capital Company Limited, being recommended as being fair is:

*“for every 1 (one) equity share of face value of Re. 1/- fully paid up held in the Demerged Company, 1 (one) equity share(s) of face value of Re. 1/- credited as fully paid up in the Resulting Company”, i.e. in the ratio of 1:1 (“**Share Entitlement Ratio**”).”*

8. The Regional Director has filed his Report dated 8th October, 2025 making certain observations and the Petitioner Companies have, vide the Affidavit in Reply to the Report of the Regional Director, undertaken:

- a. *It shall protect the interest of creditors and employees, in accordance with the Scheme;*
- b. *It shall pass such accounting entries which are necessary in connection with the Scheme to comply with the applicable accounting standards / IND-AS;*
- c. *The Scheme filed with the Tribunal is the same as filed with the Company Scheme Application, with no discrepancy;*
- d. *Due service of notices under Section 230(5) was effected, and the authorities may raise issues even after approval;*
- e. *The Appointed Date under the Scheme is in compliance with the MCA Circular no. 09/2019;*
- f. *The Scheme has been duly approved by the requisite majority of shareholders, as directed by the Tribunal;*
- g. *It shall comply with the directions of the Income Tax Department and GST Departments, if any, in accordance with law;*
- h. *The Scheme is in accordance with Section 2(19AA) of the Income Tax Act, 1961;*
- i. *It shall comply with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the observations of the BSE Limited and the National Stock Exchange of India Limited in their respective observation letters dated 14th May 2025;*
- j. *It shall comply with applicable rules, regulations and guidelines of the Reserve Bank of India, and rules, regulations and guidelines under the Foreign Exchange Management Act, 1999 and the FERA;*

- k. Both Petitioner Companies will service their respective debts/liabilities post effectiveness of the Scheme;*
- l. It shall comply with Section 90 of the Companies Act, 2013 and relevant rules thereunder, if these become applicable at any time in the future.*
9. We have perused the submissions made by the Petitioner Companies and the report submitted by the RD as well as Registrar of Companies (RoC). The Petitioner Companies will comply with all the undertakings given by them in their reply filed to the ROC and RD.
10. The creditors of the Ice Cream Business Undertaking (*as defined in the Scheme*) shall be entitled to make claims against the Resulting Company and in terms of Clause 6.2 of the Scheme, any claims, liabilities or demands of such creditors raised or received after the Effective Date but arising out of the activities or operations of the Ice Cream Business Undertaking, irrespective of whether it relates to the period before or after the Effective Date, shall be deemed to be part of the Ice Cream Business Undertaking and shall consequently be entirely borne by the Resulting Company. However, we consider it appropriate to direct the Demerged Company to make necessary arrangements so as to ensure that the Resulting Company is in a position to fulfil its obligations to the Creditors, being transferred to the Resulting Company consequent upon this scheme. Nonetheless, it is made clear that this shall entitle the Creditors, being transferred to the Resulting Company consequent upon this scheme, to make any claim against the Demerged Company.
11. 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. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. *C.P.(CAA)/201/MB/2025* is made

absolute in terms of the prayer clauses (a) and (b) of the said Company Scheme Petition.

12. The Income Tax Department will be at liberty to examine the aspect of any tax payable as a result of this Scheme and it shall be open to the Income Tax Authority to take necessary action to deal with, in relation to tax or any other kind of obligations of Demerged Company against the Resulting Company, as permissible under the Income Tax Laws.
13. The Scheme is hereby sanctioned, with the Appointed Date being the same as the Effective Date which means the date which is the first calendar date of the month following the month in which the conditions and matters referred to in clause 20 of the Scheme have occurred or been fulfilled, obtained or waived, as applicable, in accordance with the Scheme.
14. The Registrar of this Tribunal shall issue the certified copy of this order along with the sanctioned Scheme forthwith. The Petitioner Companies are directed to file a copy of this Order along with the sanctioned Scheme duly authenticated / certified by the designated Registrar of the National Company Law Tribunal, Mumbai Bench, with the concerned Registrar of Companies, electronically in E-Form INC-28 within 30 days from the date of receipt of the certified copy of this Order and the sanctioned Scheme by the Petitioner Companies.
15. The Petitioner Companies are also directed to lodge the copy of this Order along with the Scheme duly certified by the designated Registrar of the National Company Law Tribunal, Mumbai Bench, with the concerned Collector / Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, within 60 (sixty) days from the date of receipt of the certified copy of this Order and the sanctioned Scheme from the Registry of this Tribunal.

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16. All concerned regulatory authorities, stock exchanges and depositories (including the National Stock Exchange of Indian Limited, BSE Limited, National Securities Depository Limited and Central Depository Services (India) Limited) are directed to act on a copy of this Order along with the sanctioned Scheme duly certified by the designated Registrar of the National Company Law Tribunal, Mumbai Bench.
17. Accordingly, the present Company Scheme Petition No. CP(CAA)201/MB/2025 is **allowed** and disposed of.
18. File to be consigned to records.

Sd/-

Prabhat Kumar
Member (Technical)

Sd/-

Sushil Mahadeorao Kochey
Member (Judicial)
