

# AGARWAL INDUSTRIAL CORPORATION LIMITED

CIN : L99999MH1995PLC084618

Registered Office: Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur,  
Mumbai, Maharashtra - 400071 India.

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## COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS AND POSTAL BALLOT AND E-VOTING

### COURT CONVENED MEETING:

Day	Monday
Date	June13, 2016
Time	11:00 am
Venue	Unit No : 12, " A" Wing, 1st Floor, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai- 400074.

### POSTAL BALLOT AND E-VOTING:

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Last Date	June 12, 2016

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**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SUMMONS FOR DIRECTION NO 360 OF 2016**

In the matter of Companies Act, 1956 (1 of 1956)

And

In the matter of Section 391 & 394 of the Companies Act, 1956; (to the extent applicable provisions of the Companies Act, 2013) as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modifications(s) or re-enactment(s) thereof;

And

In the matter of Scheme of Amalgamation between Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited and their respective shareholders and creditors;

Agarwal Industrial Corporation Limited	}
A company incorporated under the provisions of the	}
Companies Act, 1956 having its registered office at	}
Eastern Court, Unit No. 201- 202, Plot No. 12,	}
V. N. Purav Marg, S.T. Road, Chembur,	}
Mumbai, Maharashtra - 400071 India.	}....Applicant Company

**NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF APPLICANT COMPANY**

To,

**The Equity Shareholder(s) of Agarwal Industrial Corporation Limited("Applicant Company" or "Transferee Company")**

**TAKE NOTICE** that by an Order made on May 4, 2016, in the above mentioned Company Summons for Direction, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of the Applicant Company, be convened and held on Monday, June 13, 2016 at 11.00 a.m. at Unit No : 12, " A" Wing, 1st Floor, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai- 400074, for the purpose of considering, and, if thought fit, to approve, with or without modification(s), the Scheme of Amalgamation between Agarwal Petrochem Private Limited, the Transferor Company and Agarwal Industrial Corporation Limited, the 'Transferee Company' or 'the Company' and their respective shareholders pursuant to Sections 391 to 394 of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013 ('the Scheme'), to transact the following business:

**To consider and, if thought fit, to pass the following Resolution with or without modification:**

**"RESOLVED THAT** pursuant to the provisions of Sections 391 to 394 of Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Court) Rules, 1959 (including any modification/ amendment and re-enactment thereof) and in accordance with relevant clauses of the Memorandum of Association and Articles of Association of the Company and subject to the approval of the Hon'ble High Court of judicature at Bombay and of such other authorities as may be necessary (such as BSE Limited, National Stock Exchange of India Limited, Securities and Exchange Board of India ("**SEBI**"), Reserve Bank of India ("**RBI**"), Registrar of Companies ("**RoC**"), Regional Director ("**RD**"), the proposed Scheme of Amalgamation of Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited and their respective shareholders ("**Scheme**") placed before the meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** Mr. Jaiprakash Agarwal (Managing Director), Mr. Lalit Agarwal (Whole Time Director), Mr. Mahendra Agarwal (Director) and Mr. Rakesh Bhalla (Company Secretary and Compliance Officer) be and hereby severally authorized in the name of and on behalf of the Company to:

- (i) To file the Scheme and any other information/details with the regulatory authorities concerned, including but not limited to the RBI, the SEBI, or any other agency concerned to obtain approval or sanction to any of the provisions of the Scheme or for giving effect thereto;
- (ii) To sign and file applications to the High Court of Judicature at Bombay or the NCLT as the case may be, seeking directions as to convening/dispensing with the meeting of the shareholders/creditors of the Company and where necessary to take steps to convene and hold such meetings as per the directions of the Court or otherwise;
- (iii) To sign and file affidavits, petitions, pleadings, applications, statements, memos and to engage Counsels, Advocates, Chartered Accountants and other consultants or professionals and to do all acts, deeds, matters and things as may be necessary or required under or pursuant to the applicable provisions of the Companies Act, 1956 and the Companies (Court) Rules, 1959 for or in connection with obtaining the sanction of the Hon'ble High Court of Judicature at Bombay or the NCLT to the Scheme;

- (iv) To sign and issue public advertisements and to issue notices to the members or any other class of persons, as per directions of the Hon'ble High Court of Judicature at Bombay, or the NCLT, as the case may be;
- (v) To make or assent to any alteration or modification to the Scheme as may be expedient or necessary or to satisfy any condition(s)/requirements or limitation imposed by the RBI, the SEBI, the BSE, the NSE, the Hon'ble High Court of Bombay, the NCLT or any other statutory or regulatory authorities, as the case may be and may give such directions, as they may consider necessary and to settle any doubt, question or difficulty arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things for putting the Scheme into effect;
- (vi) Obtaining approval from such other authorities and parties including the shareholders, creditors, lenders as may be considered necessary, to the said Scheme;
- (vii) To communicate and correspond with the stock exchanges, banks, institutions, investors, government authorities, local authorities and others where required about the Scheme and do all such acts, deeds, matters and things as may be at their discretion be deemed necessary or desirable for such purpose and with power of the Company to settle any queries, difficulties or doubts that may arise in this regard as they may in their absolute discretion, deem fit and proper for the purpose of giving effect to the above resolutions;
- (viii) To obtain the Order of the Hon'ble High Court of Judicature at Bombay or NCLT, as the case may be, approving the Scheme and file the same with the Registrar of Companies, Mumbai, Maharashtra, or such other appropriate authorities so as to make the sanctioned Scheme effective;
- (ix) To do all further acts, deeds, matters and things to give effect to the Scheme and for matters connected therewith or incidental thereto including and not limited to issuing consent letters on behalf of the Company;
- (x) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme and to give effect to the above resolution;
- (xi) To file a copy of the resolution duly certified and forward to concerned authorities including Hon'ble High Court of Judicature at Bombay or NCLT, as the case may be, for record;
- (xii) To authorise the officers of the Company and/or any other persons to discuss, negotiate, finalise, execute, sign, submit and file all required documents, deeds of assignment/conveyance and any other deeds, documents, scheme, agreements, forms, returns, applications, letters etc. including any modifications thereto, whether or not under the Common Seal of the Company, as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and expedient at their absolute discretion in the above matters; and
- (xiii) generally, do all other acts, deeds or things (including making any statutory filings, submission of further documents to any authority, execution of any other documents, advertisements of notices and other information, payment of stamp duty, fees, charges, duties, etc.) as may be considered necessary and expedient in relation to the proposed Scheme and /or authorize any other person to do any of the above mentioned acts, deeds or things in relation to giving effect to the proposed Scheme.”

**TAKE FURTHER NOTICE** that in pursuance of the said Order as directed therein, a meeting of the Equity Shareholders of the Applicant Company will be held on **Monday, June 13, 2016 at 11.00 a.m. at Unit No : 12, “ A” Wing, 1st Floor, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai- 400074**, at which day, date, time and place you are requested to attend.

**TAKE FURTHER NOTICE** that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the Registered Office of Agarwal Industrial Corporation Limited, the Applicant Company, at Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra - 400071 India not later than 48 hours before the commencement of the meeting.

The Hon'ble High Court of Judicature at Bombay has appointed Mr. Jaiprakash Agarwal, Managing Director, failing him Mr. Lalit Agarwal, Whole Time Director of the Applicant Company and failing him Mr. Mahendra Agarwal Director of the Applicant Company to be the Chairman of the said Meeting.

A copy each of the Scheme, the Explanatory Statement under Section 393(1)(a) of the Companies Act, 1956, Observation letter Issued by BSE and NSE, Valuation Report, Fairness Opinion Report, Complaint Report, a Form of Proxy, the Attendance Slip, Postal Ballot Form and Business Reply Envelope are enclosed.

Sd/-  
Jaiprakash Agarwal  
Chairman appointed for the Meeting

May 10, 2016

**Registered Office:**

Eastern Court, Unit No. 201- 202, Plot No. 12,  
V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra — 400071.

**Notes:**

1. All alterations made in the Form of Proxy should be initialed.
2. Only registered Equity Shareholders of the Applicant Company may attend and vote (either in person or by proxy) at the Equity Shareholders' meeting.
3. The authorised representative of a body corporate which is a registered Equity Shareholder of the Applicant Company may attend and vote at the Equity Shareholders' meeting provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorising such a representative to attend and vote at the Equity Shareholders' meeting is deposited at the registered office of the Applicant Company.
4. Registered Equity Shareholders who hold shares in dematerialized form are requested to bring their Client ID and DP ID for easy identification of the attendance at the meeting.
5. Registered Equity Shareholders are informed that in case of joint holders attending the meeting, joint holder whose name stands first in the Register of Members and in his/her absence by the next named member of the Applicant Company in respect of such joint holding will be entitled to vote.
6. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Form of Proxy duly completed should, however, be deposited at the registered office of the Applicant Company not less than 48 hours before the commencement of the meeting.**
7. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Applicant Company has provided the facility to the Members to exercise their votes on resolution through e-voting facility arranged by Central Depository Services (India) Limited (CDSL) and the business contained in the notice may be transacted through such voting. In order to enable its Members, who do not have access to e-voting facility to send their assent or dissent in writing in respect of the resolution as set out in this Notice, the Company is enclosing a Ballot Form along with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for e-voting are given hereinafter. Resolution passed by Members through Ballot Forms or e-voting is deemed to have been passed as if they have been passed at a General Meeting of the Members.
8. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
9. The members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
10. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.

**Enclosure: As above**

# AGARWAL INDUSTRIAL CORPORATION LIMITED

CIN : L99999MH1995PLC084618

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Tel. No.+91-22-2529 1149 / 50; Fax : +91-22-2529 1147

Email: r.bhalla@aicltd.in, Website : www.aicltd.in

## NOTICE OF POSTAL BALLOT AND E-VOTING

**(NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 FURTHER READ WITH REGULATION 44 OF SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (“SEBI LODR REGULATIONS”) AND READ WITH SEBI CIRCULARS BEARING NO. CIR/CFD/DIL/5/2013 DATED 4TH FEBRUARY, 2013 AND CIR/CFD//DIL/8/2013 DATED 21ST MAY, 2013 (“SEBI CIRCULARS”), NOW REPLACED WITH SEBI CIRCULAR BEARING NUMBER CIR/CFD/CMD/16/2015 DATED 30TH NOVEMBER, 2015)**

To,

The Public Equity Shareholders of Agarwal Industrial Corporation Limited (**“Applicant Company”** or **“Transferee Company”**)

Notice is hereby given to the equity shareholders of Agarwal Industrial Corporation Limited (**“the Company”**) pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**) read with the Companies (Management and Administration) Rules, 2014 (**“the Rules”**) (including any statutory modification or re-enactment thereof for the time being in force) and Regulation 44 of the SEBI LODR Regulations (erstwhile Clause 35B of the Listing Agreement) and Securities and Exchange Board of India (**“SEBI”**) Circular bearing no. CIR/CFD/CMD/16/2015 dated 30th November, 2015 [erstwhile Circulars bearing nos. CIR/CFD/DIL/5/2013 dated 4th February, 2013 and CIR/CFD//DIL/8/2013 dated 21st May, 2013] (**“SEBI Circulars”**) to consider, and if thought fit, approve the arrangement embodied in the proposed Scheme of Amalgamation of Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited and their respective shareholders (**“the Scheme”**) and to pass the Resolution set out below through Postal Ballot and e-voting -

**To consider and, if thought fit, to pass the following Resolution with or without modification:**

**“RESOLVED THAT** pursuant to the provisions of Sections 391 to 394 of Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Court) Rules, 1959 (including any modification/amendment and re-enactment thereof) and in accordance with relevant clauses of the Memorandum of Association and Articles of Association of the Company and subject to the approval of the Hon’ble High Court of judicature at Bombay and of such other authorities as may be necessary (such as BSE Limited, National Stock Exchange of India Limited, Securities and Exchange Board of India (**“SEBI”**), Reserve Bank of India (**“RBI”**), Registrar of Companies (**“RoC”**), Regional Director (**“RD”**), the proposed Scheme of Amalgamation of Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited and their respective shareholders (**“Scheme”**) placed before the meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** Mr. Jaiprakash Agarwal (Managing Director), Mr. Lalit Agarwal (Whole Time Director), Mr. Mahendra Agarwal (Director) and Mr. Rakesh Bhalla (Company Secretary and Compliance Officer) be and hereby severally authorized in the name of and on behalf of the Company to:

- (i) To file the Scheme and any other information/details with the regulatory authorities concerned, including but not limited to the RBI, the SEBI, or any other agency concerned to obtain approval or sanction to any of the provisions of the Scheme or for giving effect thereto;
- (ii) To sign and file applications to the High Court of Judicature at Bombay or the NCLT as the case may be, seeking directions as to convening/dispensing with the meeting of the shareholders/creditors of the Company and where necessary to take steps to convene and hold such meetings as per the directions of the Court or otherwise;
- (iii) To sign and file affidavits, petitions, pleadings, applications, statements, memos and to engage Counsels, Advocates, Chartered Accountants and other consultants or professionals and to do all acts, deeds, matters and things as may be necessary or required under or pursuant to the applicable provisions of the Companies Act, 1956 and the Companies (Court) Rules, 1959 for or in connection with obtaining the sanction of the Hon’ble High Court of Judicature at Bombay or the NCLT to the Scheme;
- (iv) To sign and issue public advertisements and to issue notices to the members or any other class of persons, as per directions of the Hon’ble High Court of Judicature at Bombay or the NCLT, as the case may be;
- (v) To make or assent to any alteration or modification to the Scheme as may be expedient or necessary or to satisfy any condition(s)/requirements or limitation imposed by the RBI, the SEBI, the BSE, the NSE, the Hon’ble High Court of Bombay, the NCLT or any other statutory or regulatory authorities, as the case may be and may give such directions, as they may consider necessary and to settle any doubt, question or difficulty arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things for putting the Scheme into effect;
- (vi) Obtaining approval from such other authorities and parties including the shareholders, creditors, lenders as may be considered necessary, to the said Scheme;

- (vii) To communicate and correspond with the stock exchanges, banks, institutions, investors, government authorities, local authorities and others where required about the Scheme and do all such acts, deeds, matters and things as may be at their discretion be deemed necessary or desirable for such purpose and with power of the Company to settle any queries, difficulties or doubts that may arise in this regard as they may in their absolute discretion, deem fit and proper for the purpose of giving effect to the above resolutions;
- (viii) To obtain the Order of the Hon'ble High Court of Judicature at Bombay or NCLT, as the case may be, approving the Scheme and file the same with the Registrar of Companies, Mumbai, Maharashtra, or such other appropriate authorities so as to make the sanctioned Scheme effective;
- (ix) To do all further acts, deeds, matters and things to give effect to the Scheme and for matters connected therewith or incidental thereto including and not limited to issuing consent letters on behalf of the Company;
- (x) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme and to give effect to the above resolution;
- (xi) To file a copy of the resolution duly certified and forward to concerned authorities including Hon'ble High Court of Judicature at Bombay or NCLT, as the case may be, for record; and
- (xii) To authorise the officers of the Company and/or any other persons to discuss, negotiate, finalise, execute, sign, submit and file all required documents, deeds of assignment/conveyance and any other deeds, documents, scheme, agreements, forms, returns, applications, letters etc. including any modifications thereto, whether or not under the Common Seal of the Company, as may be required from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and expedient at their absolute discretion in the above matters; and
- (xiii) generally, do all other acts, deeds or things (including making any statutory filings, submission of further documents to any authority, execution of any other documents, advertisements of notices and other information, payment of stamp duty, fees, charges, duties, etc.) as may be considered necessary and expedient in relation to the proposed Scheme and /or authorize any other person to do any of the above mentioned acts, deeds or things in relation to giving effect to the proposed Scheme."

The Audit Committee and the Board of Directors of the Company, at their respective meetings held on November 9, 2015, have approved the Scheme under Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 ("**1956 Act**") subject to approval by the requisite majority of the shareholders of the Company, and of the creditors of the Company, as may be required, and subject to the sanction of the High Court of Judicature at Bombay ("**BHC**") and of such other authorities as may be necessary. The BHC has vide its order dated May 4, 2014, directed the Company to convene and conduct a physical meeting ("**Court Convened Meeting**") of the members of the Company on **Monday, June 13, 2016 at 11.00 a.m. at Unit No : 12, " A" Wing, 1st Floor, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai- 400074.**

In addition to the Court Convened Meeting, the Company also seeks the approval of its public equity shareholders to the Scheme by way of postal ballot and e-voting pursuant to applicable provisions of the Act read with the Rules (including any statutory modification or re-enactment thereof for the time being in force) and Regulation 44 of SEBI LODR Regulations (erstwhile Clause 35B of the Listing Agreement executed by the Company with the stock exchanges) and SEBI Circulars and under relevant provisions of applicable laws. In terms of the SEBI Circulars, the Scheme shall be acted upon only if the votes cast by the Public Shareholders of the Transferee Company in favour of the proposal are more than the valid votes cast by the Public Shareholders against the proposal.

The notice of the Court Convened Meeting with the documents accompanying the same, being the Explanatory Statement under Section 393 of the Companies Act, 1956, Observation letter Issued by BSE and NSE, Valuation Report, Fairness Opinion Report, Complaint Report; the attendance slip, a Proxy Form, Postal Ballot Form and Business Reply Envelope, are being sent to members of the Company, including to the public shareholders of the Company.

**It is clarified the votes may be cast by the shareholders either by postal ballot / e-voting and casting of votes by postal ballot / e-voting does not disentitle them from attending the court convened notice. It is further clarified that votes through postal ballot cannot be permitted by proxy.**

In terms of the SEBI Circulars, the Scheme shall be acted upon only if the number of votes cast by the public equity shareholders in favour of the Scheme is more than the number of votes cast by them against the Scheme. The Board of Directors ("**Board**") has appointed Mr. P. M. Vala, Practicing Company Secretaries, (Membership No.5193, Certificate of Practice No. 4237) as a Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein and return the same in original duly completed in the attached self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours on June 12, 2016.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to the postal ballot notice and instructions overleaf the Postal Ballot Form.

The Scrutinizer will submit his report to the Chairman after Completion of the scrutiny of the Postal Ballots including e-voting. The result of the postal ballot including e-voting would be announced by the Chairman of the Company on June 15, 2016 at the Registered Office of the Company situated at Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra - 400071 India. The said result would be displayed at the registered Office of the Company and intimated to National Stock Exchange of India Limited and BSE Limited where the Company's shares are

listed, published in the newspapers and displayed along with the Scrutinizer's report on the Company's website viz. [www.aicld.in](http://www.aicld.in).

**By order of the Board of Directors  
For Agarwal  
Industrial Corporation Limited**

**Jaiprakash Agarwal  
Managing Director**

May 10, 2016

**Registered Office:**

Eastern Court, Unit No. 201- 202, Plot No. 12,  
V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra — 400071.

**Notes for Postal Ballot and E-Voting:**

**A. Notes for Postal Ballot:**

- 1 A copy of the said Scheme of Amalgamation and Explanatory Statement under section 393 of the Companies Act, 1956 read with Section 110 of the Companies Act, 2013 and with Rule 22 of the Companies (Management and Administration) Rules, 2014, are being sent to you for your consideration.
- 2 The Postal Ballot Form together with self-addressed postage pre-paid Business Reply Envelope is enclosed for use of the Member(s)
- 3 The accompanying Postal Ballot Notice is being sent to all the Members whose names appear in the Register of Members / List of Beneficial Owners as received from the National Securities Depository Ltd and Central Depository Services (India) Ltd. as on the close of business hours on May 06, 2016. Accordingly, the Members whose names appear in the Register of Members/ List of Beneficial Owners as on May 06, 2016 ("cut-off date") will be reckoned for the purpose of voting.
- 4 Voting rights shall be reckoned on the paid-up value of equity shares registered in the name of Members as on May 06, 2016 i.e the cut-off date for dispatch of Postal Ballot Notice.
- 5 In case of shares held by Companies, institutional members (FPIs/ Foreign Institutional Investors / trust / mutual funds / banks etc.), duly completed Postal Ballot Form should also be accompanied by a certified copy of the Board Resolution/Other Authority Letter together with the attested specimen signatures of the duly authorized person exercising the voting by Postal Ballot.
- 6 As per Companies (Management and Administration) Rules, 2014, Notice of Postal Ballot may be served on the Members through electronic transmission. Members who have registered their e-mail IDs with depositories or with the Company for this purpose are being sent Postal Ballot Notice documents by e-mail and Members who have not registered their e-mail IDs will receive Postal Ballot Notice along with Postal Ballot Form through Registered AD/ Speed Post. Members who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form may download the Postal Ballot Form from the link [www.aicld.in](http://www.aicld.in) or use physical copy sent by the Company.
- 7 A Member cannot exercise his / her vote through proxy on postal ballot.
- 8 If Postal Ballot Form is sent using the Business Reply Envelope, the postage will be borne by the Company. However, envelopes containing postal ballots, if sent by courier or registered / speed post at the expense of the Members will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given on the self-addressed Business Reply Envelope.
- 9 The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 5.00 p.m. (IST) on day of June 12, 2016 at, Mr. P. M. Vala, Practicing Company Secretaries, (Membership No.5193, Certificate of Practice No. 4237) having office at Shop No. 1, Laxmi Sadan CHS., Opp. New Rose Villa, Daji Ramchandra Road, Charai, Thane (West) - 400 601, to be eligible for being considered, failing which, it will be strictly considered that no reply has been received from the Member.
- 10 The Postal Ballot Notice will be uploaded on the Company's website viz., [www.aicld.in](http://www.aicld.in) and on the website of CDSL viz., <https://www.evotingindia.com>.
- 11 Resolutions passed by the Members through Postal Ballot shall be deemed to have been passed as if they have been passed at a Court Convened Meeting of the Members.
- 12 All the relevant documents referred to in the Explanatory Statement are open for inspection at the Registered Office between 11.00 a.m. and 2.00 p.m. on all days excluding, Sundays and Public Holidays, till June 12, 2016.
- 13 Upon completion of the scrutiny of the Postal Ballot Forms and E-voting, the Scrutinizer will submit his report to the Chairperson. The result of the Postal Ballot and E-voting will be announced by the Scrutinizer within 48 hours of the conclusion of court convened meeting and shall be placed, along with the Scrutinizer's Report, on the website of the Transferee Company i.e. [www.aicld.in](http://www.aicld.in) for information of Shareholders, besides being communicated to Stock Exchanges on which shares of the Transferee Company are listed.

- 14 In compliance with the provisions of Section 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, (including any statutory modification or enactment thereof for the time being in force) as amended from time to time and Regulation 44 of the SEBI LODR Regulations (erstwhile Clause 35B of the Listing Agreement), the Company is pleased to offer E-voting facility as an alternative, to all its Members to enable them to cast their votes electronically apart from dispatching the Postal Ballot Forms.
- 15 Member(s) can opt only for one mode of voting. If a Member has opted for E-voting, then he/she should not vote by Postal Ballot and vice-versa. However, in case Members cast their vote both via Postal Ballot and E-voting, then voting through E-voting shall prevail and voting done by Postal Ballot shall be treated as invalid, notwithstanding whichever is cast first. Facility for voting through poll papers shall also be made available at the Court Convened Meeting and Members attending the meeting who did not cast their vote by E-voting/Postal Ballot shall be able to exercise their right to vote at the meeting.
- 16 **It is clarified that votes may be cast by Shareholders either by Postal Ballot or E-voting and casting of votes by Postal Ballot or e-voting does not disentitle them from attending at the Court Convened Meeting. Shareholder after exercising his right to vote through postal ballot / e-voting shall not be allowed to vote again in Court Convened Meeting.**

#### **Instructions for Postal Ballot**

1. A Shareholder desiring to exercise vote by Postal Ballot may complete Postal Ballot Form (no other form or photocopy thereof is permitted) and send it to the appointed Scrutinizer in the enclosed self-addressed postage prepaid envelope. Postage will be borne and paid by the Company. However, Postal Ballot Form(s), if deposited in person or if sent by courier or registered/speed post at the expense of the Shareholder will also be accepted.
2. Postal Ballot Form should be completed and signed by the Shareholder (as per the specimen signature registered with the Company/Depository Participants). In case of joint holding, this Form should be completed and signed by the first named Shareholder and in his absence, by the next named Shareholder.
3. The consent must be accorded by recording the assent in the column 'FOR' and dissent in the column 'AGAINST' by placing (□) in the appropriate column.
4. Members desiring to exercise their vote by postal ballot are requested to carefully read the instructions printed on the Form. Duly completed Postal Ballot Form should reach the Scrutinizer on or before 5:00 p.m. on June 12, 2016. All Postal Ballot Forms received after this date will be strictly treated as if the reply from such shareholder has not been received.
5. There will be only one Postal Ballot Form for every Folio/Client ID irrespective of the number of joint shareholder(s).
6. A Shareholder may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the last date of receipt of Postal Ballot Form, i.e. on or before 5:00 p.m. on June 12, 2016.
7. Shareholders are requested not to send any other paper along with the Postal Ballot Form, as all such forms will be sent to the Scrutinizer and any extraneous paper found would be destroyed by the Scrutinizer.
8. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final and binding.
9. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected.
10. Shareholder cannot appoint proxy to exercise their voting power through Postal Ballot.

A Postal Ballot Form shall be considered invalid if: a) A form other than one issued by the company has been used; (b) It has not been signed by or on behalf of the Member; (c) Signature on the Postal Ballot Form doesn't match the specimen signatures with the company; (d) It is not possible to determine without any doubt the assent or dissent of the Member; (e) Neither assent nor dissent is mentioned; (f) Any competent authority has given directions in writing to the company to freeze the Voting Rights of the Member; (g) The envelope containing the Postal Ballot Form is received after the last date of voting i.e. 12th June, 2016; (h) The Postal Ballot Form, signed in a representative capacity, is not accompanied by a certified copy of the relevant specific authority; (i) It is received from a Member who is in arrears of payment of calls; (j) It is defaced or mutilated in such a way that its identity as a genuine form cannot be established; (k) Member has made any amendment to the Resolution or imposed any condition while exercising his vote.

#### **B. Notes for E-voting:**

1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI LODR Regulations, the Company is pleased to offer E-Voting facility as an alternate through E-voting services provided by CDSL, for its Members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form.
2. The e-voting period commences on June 10, 2016 (9.00 a.m. IST) and ends on June 12, 2016 (5.00 p.m. IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which shall be June 6, 2016 may cast their vote electronically. The E-Voting module shall be disabled by CDSL for voting thereafter.
3. For the purpose of dispatch of this Notice, Shareholders of the Company holding shares either in physical form or in dematerialized form as on June 6, 2016, have been considered.

4. Voting rights of each member shall be reckoned as on the cut-off date which is June 6, 2016 and any recipient of this notice who has no voting rights as on the aforesaid date should treat the same as intimation only.
5. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Transferee Company as on cut off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting through ballot paper. Any person who acquires shares of the Transferee Company and becomes the member of the Transferee Company after the cut-off date i.e. June 6, 2016 shall not be eligible to vote either through E-voting or at Court Convened Meeting.
6. In case Members cast their vote both via Postal Ballot and E-voting, then voting through E-voting shall prevail and voting done by Postal Ballot shall be treated as invalid, notwithstanding whichever is cast first.
7. The members who have cast their vote by remote e-voting prior to the Court Convened Meeting may also attend the meeting but shall not be entitled to cast their vote again.
8. Mr. P. M. Vala, Practicing Company Secretaries, (Membership No.5193, Certificate of Practice No. 4237) having office at Shop No. 1, Laxmi Sadan CHS., Opp. New Rose Villa, Daji Ramchandra Road, Charai, Thane (West) - 400 601, has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
9. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than two days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
10. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.aicld.in](http://www.aicld.in) and on the website of <https://www.evotingindia.com/> within forty eight hours of the conclusion of the resolution passed at the Court Convened Meeting and communicated to the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed.

**The instructions for Shareholders voting electronically (E-voting) are as under:**

**A. In case a Member receives an email from CDSL [for members whose email IDs are registered with the Company/ Depository Participant(s)] :**

1. Open email and open PDF file viz; "AICLPostalBallotCCM2016.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. User ID, Password, Even No. is mentioned on e-voting User ID and password sheet being sent along with this notice.
2. Launch internet browser by typing the following URL: [https:// www.evotingindia.com/](https://www.evotingindia.com/)
3. Click on Shareholder – Login
4. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
5. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
7. Select "EVEN" of "Agarwal Industrial Corporation Limited".
8. Now you are ready for remote e-voting as Cast Vote page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once you have voted on the resolution, you will not be allowed to modify your vote.
12. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [pmvala@yahoo.co.in](mailto:pmvala@yahoo.co.in)

**B. In case a Member receives physical copy of the Notice of Meeting [for members whose emailIDs are not registered with the Company/Depository Participant(s) or requesting physical copy] or where company has opted to send physical copy.**

1. Initial password is provided in separate leaf.  
EVEN (Remote e-voting Event Number) USER ID PASSWORD /PIN
2. Initial password is provided in separate leaf.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SUMMONS FOR DIRECTION NO 360 OF 2016**

In the matter of Companies Act, 1956 (1 of 1956)

And

In the matter of Section 391 & 394 of the Companies Act, 1956; (to the extent applicable provisions of the Companies Act, 2013) as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modifications(s) or re-enactment(s) thereof;

And

In the matter of Scheme of Amalgamation between Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited and their respective shareholders and creditors;

<b>Agarwal Industrial Corporation Limited</b>	}
A company incorporated under the provisions of the	}
Companies Act, 1956 having its registered office at	}
Eastern Court, Unit No. 201- 202, Plot No. 12,	}
V. N. Purav Marg, S.T. Road, Chembur,	}
Mumbai, Maharashtra - 400071 India.	}
	}....Applicant Company

**EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956 AND SECTION 102 OF THE COMPANIES ACT, 2013 TO THE NOTICE OF THE COURT CONVENED MEETING OF EQUITY SHAREHOLDERS OF AGARWAL INDUSTRIAL CORPORATION LIMITED AND POSTAL BALLOT AND E - VOTING**

1. Pursuant to the Order dated May 4, 2016 passed by the Hon'ble High Court of judicature at Bombay, in the Company Summons for Direction referred to hereinabove, meeting of the Equity Shareholders of the Applicant Company is being convened and held for the purpose of considering and, if thought fit, approving with or without modifications, the Scheme of Amalgamation of Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited and their respective shareholders ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof) (the "Act").
2. In addition to the Court Convened Meeting of the Equity Shareholders of the Applicant Company, to seek their approval pursuant to Sections 391 to 394 of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof), approval of the Equity Shareholders of the Applicant Company is also sought by way of Postal Ballot and e-voting as required under Regulation 44 of the SEBI LODR Regulations (erstwhile Clause 35B of the Listing Agreement) and SEBI Circulars and the Act.
3. A copy of the Scheme setting out in detail the terms and conditions of the amalgamation, inter alia, providing for the merger of Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited which has been approved by Board of Directors of the Applicant Company at its meeting held on November 9, 2015 is attached to this explanatory statement and forms part of this statement.
4. **Background of Agarwal Petrochem Private Limited (APPL or Transferor Company) is as under:**
  - i. Agarwal Petrochem Private Limited ('APPL') is a private company incorporated under the provisions of the Companies Act, 1956. APPL was originally constituted as a private limited company on 25th November, 1992 under the name and style of "Ultra Fine Organics Private Limited". Subsequently on 26th October, 2004 the name was changed to its present name of "Agarwal Petrochem Private Limited".
  - ii. The registered office of APPL is situated at 37, New Chemical Zone, MIDC - Taloja, Taloja, Maharashtra – 410208, India.
  - iii. The details of the Authorised, Issued, Subscribed and Paid-up share capital of Transferor Company as on March 31, 2015, was as under:

Share Capital	Amount
<b>Authorised Share Capital</b> 10,00,000 Equity shares of Rs. 10/- each	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>
<b>Issued, Subscribed and paid up Capital</b> 9,94,339 equity shares of Rs. 10/- each	99,43,390
<b>Total</b>	<b>99,43,390</b>

There has been no change in the share capital of APPL subsequent to above.

- iv. The objects for which Transferor Company has been established are set out in its Memorandum of Association. The main object of Transferor Company are set out hereunder:

To carry on in India or abroad the business to manufacture, process, produce, formulate, mix, disinfect, clean, wash, dilute, dye, concentrate, compound, segregate, pack, repack, add, remove, heat, grade, freeze, distill late, boil, melt, reduce, sterilize, improve, buy, sell, acquire, import, export, barter, transport, store, forward, distribute, dispose, develop, handle, manipulate, market, provide, protect, procure, refine, supply, treat, work, and to act as agent, broker, representative, consultant, collaborator, adatia stockist, liasioner, jobworker, export house or otherwise to deal in all types, descriptions, strengths, characteristics, applications and uses of petrochemicals, organic chemicals, inorganic chemicals, synthetic chemicals, resins, granules, colour chemicals, laboratory chemicals, industrial chemicals, pharmaceutical chemicals, their formulations, derivatives, compounds, grades, active agents, solvents, extracts, products, bitumins & its by-product, mixtures, residues, by-products, ingredients & intermediates thereof whether liquids, solids or gases such as naphtha, benzene, foluene, orthoxylene, metaxylene, paraxylene, ethyl benzene, ethylene, proxylene, propane, ethane, butanes, butanes, butadines, Isoprene, oxides, glycols, polyglycols of ethylene, butylenes, chlorinated hydrocarbons , aliphatic and aromatic alcohols. alkaliyhdes, ketones, esters of ortho metaterephatalic acids, polymers, elastomers, co-polymers, fibers, laminates, ploythelene, polypropylent, polystyrene, polyvinyle chloride, polymethyle, methacrylate, epoxy resms, alky resins, melamine, polycarbonates, polyamides, polyacrylonitrile, polyesters, polyethylene, terephthalate, polyethylene terephthalate, plasticise, fillers, antioxidants, retarders, rubbers, reclaimed rubbers, synthetic rubbers, polybutadine, polyisoprene, butyl, nitrite, rubbers, specially rubbers, accelerators, coated and laminated articles, synthetic fibers, polyster fibers, polyvinyle acetate, nylon, rayon, essences. flavours, perfumery materials, surface coatings, synthetic detergents, detergent intermediates, surface active agents, biodegradable detergents, pesticides, Onsecticides, weed1cides, rodenticides and fungicides and other all ted products, their intermediates, ingredients and raw materials and to do all incidental acts and things necessary for the attainment of the above objects.

- v. APPL is currently engaged in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products & Wind Power Generation.

5. Background of Agarwal Industrial Corporation Limited (AICL or Transferee Company) is as under:

- i. Agarwal Industrial Corporation Limited ('AICL') is a listed company incorporated under the provisions of the Companies Act, 1956. AICL was originally constituted as a public limited company on 13 January, 1995 under the name and style of "Bombay Baroda Roadways (India) Limited". Subsequently on 26th March, 2008 the name was changed to its present name of "Agarwal Industrial Corporation Limited".
- ii. The equity shares of AICL are listed on National Stock Exchange of India Limited ('NSE') & BSE Limited ('BSE').
- iii. The registered office of AICL is situated at Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra – 400071, India.
- iv. The details of the Authorised, Issued, Subscribed and Paid-up share capital of Transferor Company as on March 31, 2015, was as under:

Share Capital	Amount
<b>Authorised Share Capital</b> 6,00,000 Equity shares of Rs. 10/- each	6,00,00,000
<b>Total</b>	<b>6,00,00,000</b>
<b>Issued, Subscribed and paid up Capital</b> 55,12,900 Equity shares of Rs 10/- each fully paid up	5,51,29,000
<b>Total</b>	<b>5,51,29,000</b>

Subsequent to the above date, AICL has increased the Authorized Capital to INR 7,00,00,000 divided into 70,00,000 Equity shares of Rs 10/- each issued. Also has issued 6,60,000 Warrants convertible into equal number of Equity shares of face value of Rs. 10/- each.

- v. The objects for which Transferor Company has been established are set out in its Memorandum of Association. The main object of Transferee Company are set out hereunder:

- a) *To carry on the business of the business of Transport throughout India, Transporting persons goods, Gas, Oils, bitumins, chemicals etc. by road.*
- b) *To operate, establish and maintain, garages, service station, workshop, petrol pumps, weight bridges, repair shops, workshops, terminal freight points and rest and service house on route branch office godowns and depot, dealers and distributorship towing service, supplying ornac and equipment for material handling, haulage, loading and unloading operations, supplying tarpaulins, upholstery materials and provide materials and services for protective packing or cargo / consignment.*

- c) *To carry on in India or elsewhere the business to manufacture, produce, assemble, alter, acquire, convert, commercialize, design, develop, demonstrate, equip, establish, fabricate, finish, hold, handle, install, hire, let on hire, lease, repair, maintain, modify, market, machine, own, operate, protect, renovate, recondition, remodel, import, export, buy, sell, resell, exchange, service, turn to account and to as agent, broker, financier, stockiest, turn key supplier, contractor, promoter, consultant, engineer, collaborator or otherwise to deal in all types of energy saving devices, system, implements, equipments, apparatus, components, parts, fittings and accessories such or specialised boilers, flameless furnaces, like ignifed fludized bed boilers.*
- vi. AICL is currently engaged in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products and LPG & Wind Power Generation.

## 6. Rationale and Salient Features of the Scheme

Both the Companies are part of the Agarwal Group ('the Group'). It is proposed to merge Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited.

### a) Rationale for merger of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited:

- Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure;
- Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited;
- Elimination of duplication in administrative costs and multiple record-keeping, thus resulting in cost savings; and
- Concentrated effort and focus by the senior management to grow the business by eliminating duplicative communication and burdensome coordination efforts across multiple entities.

### b) Salient features of the Scheme:

- i. This Scheme of Amalgamation is presented under Sections 391 to 394 of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof) for amalgamation of Agarwal Petrochem Private Limited ("Transferor Company") with Agarwal Industrial Corporation Limited ("Transferee Company").
- ii. The Transferor Company and Transferee Company shall, as may be required, make applications and/or petitions under Sections 391 to 394 of the Companies Act and other applicable provisions of the Act to the High Court of judicature at Bombay for sanction of this Scheme and all matters ancillary or incidental thereto.
- iii. "Appointed Date" for the Scheme is April 1, 2015 or such other date as may be decided by the High Court of Judicature at Bombay or any other appropriate authority as may be applicable.
- iv. 'Effective Date' means the last of the dates on which the conditions specified in Clause 14 of the Scheme are fulfilled with respect to a particular Part of the Scheme.
- v. Upon the effectiveness of the Scheme, in consideration of the transfer of and vesting of the Undertaking of the Transferor Company in the Transferee Company and in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot 2 fully paid up equity shares of face value of Rs. 10/- each of AICL to be issued and allotted to shareholders of the Transferor Company holding 2 equity shares of Rs. 10/- each, in the Transferor Company.
- vi. The New Equity Shares in the Transferee Company to be issued to the shareholders of the Transferor Company shall be subject to the Memorandum and Articles of Association of the Transferee Company. The New Equity Shares shall rank pari passu with the existing equity shares of the Transferee Company in all respects including for the purpose of any dividend declared after the Scheme becomes effective.
- vii. All Certificates for the new shares held in physical form shall be sent by Transferee Company to the shareholders of Transferor Company as on the Record Date at their respective registered addresses as appearing in the register of members of Transferor Company (or in the case of joint holders to the address of such joint holder whose name stands first in such register of members in respect of such joint holding) and Transferee Company shall not be responsible for any loss in transmission.
- viii. All equity shareholders of Transferor Company holding equity shares in Transferor Company in dematerialised form, as on the Record Date, shall be issued fresh equity shares in Transferee Company in dematerialised form. All equity shareholders of Transferor Company holding equity shares in Transferor Company in physical form, as on the Record Date, shall at the option of the shareholder be issued fresh equity shares in Transferee Company in physical / dematerialised form.

- ix. For the purpose of the allotment of equity shares in Transferee Company pursuant to Clause 7 of the Scheme, in case any member's holding in Transferor Company is such that the member becomes entitled to a fraction of an equity share of Transferee Company, Transferee Company shall not issue fractional shares to such members but shall consolidate such fractions and issue consolidated equity shares to separate trustees nominated respectively by Transferee Company in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same, in proportion to the respective fractional entitlements in Transferee Company.
- x. The New Equity Shares shall be issued only in dematerialized form to be credited to the demat account as may be notified by the Equity Shareholders of the Transferor Company. The New Equity Shares of the Transferee Company shall be listed on BSE Limited and National Stock Exchange of India Limited, on which the shares of the Transferee Company are listed as on the Effective Date. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges.
- xi. On the Scheme becoming effective, the Transferee Company shall account as per the pooling of interest method as set out in Accounting Standard 14 (AS 14) referred to in Section 210 and 211 of the Companies Act, 1956 (Corresponding notified Section 129 and 133 of the Companies Act, 2013).
- xii. This Scheme is and shall be conditional upon and subject to:
- The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and Transferee Company as may be directed by the High Court;
  - The sanction of the High Court under Sections 391 to 394 of the Companies Act, 1956 in favour of Transferor Company and Transferee Company under the said provisions and to the necessary Order under Section 394 of the said Act being obtained;
  - Approval of the Scheme, by the Stock Exchange, pursuant to clause 24(f) of the Listing Agreement between such Stock Exchanges;
  - Approval of the Scheme by SEBI in terms of SEBI Circulars ;
  - Approval of the Scheme by the public shareholders of the Transferee Company in accordance with the provisions of SEBI Circulars. Such approval will be obtained through resolution pass through postal ballot and e-voting and the Scheme shall be acted only if the votes casted by public shareholders in favor of the proposal are more than the number of votes casted by public shareholders against it;
  - Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Mumbai at Maharashtra, by the Transferor Company, the Transferee Company or Transferor Company and Transferee Company as may be applicable.
- (xii) The Scheme provides for:
- The manner of vesting and transfer of the assets of APPL to AICL;
  - The transfer of contracts, deeds, bonds, agreements, arrangements, assurances and other instruments of whatsoever nature of APPL to AICL;
  - The transfer of all debts, liabilities, duties, and obligations of APPL to AICL;
  - The transfer of all legal proceedings by or against of APPL to AICL;
  - The increase in authorized capital of AICL and consolidation of authorized capital of APPL with AICL;
  - The dissolution of the transferor company without being wound up;
- and
- All costs, charges, taxes including duties, levies and all other expenses, arising out of or incurred in carrying out and implementing this Scheme and matters incidental this Scheme (including in relation to issuance of shares by the Transferee Company) and matters incidental thereto shall be borne and paid by Transferee Company.

**You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the key provisions of the Scheme.**

## 7. Board Meeting, Valuation Report and Fairness Opinion:

- a) The Proposed Scheme was placed before the Board of Directors of the Company on November 9, 2015, wherein the Report on Share Exchange Ratio of Ladha Singhal & Associates, an independent valuer, and Fairness Opinion on the said Share Exchange Ratio issued by Saffron Capital Advisors Private Limited, were also placed before the respective Boards.
- b) In accordance with the provisions of SEBI Circular bearing no. CIR/CFD/CMD/16/2015 dated 30th November, 2015 (erstwhile Circulars bearing Nos. CIR/CFD/DIL/5/2013 dated February 4, 2013, read with SEBI Circular No. CIR/CFD/ DIL/8/2013 dated May 21, 2013), the Audit Committee of the Company (“Audit Committee”) vide a resolution passed on November 9, 2015, recommended the Scheme to the Board of Directors of the Applicant Company inter-alia taking into account;
  - i. The Valuation Report on Share Exchange Ratio issued by Ladha Singhal & Associates, Chartered Accountants for issue of shares pursuant to the Scheme;
  - ii. The Fairness Opinion issued by Saffron Capital Advisors Private Limited on the fairness of the Valuation Report;

## 8. Approvals:

- a) Pursuant to the circular number CIR/CFD/DIL/5/2013 dated February 4, 2013 read with circular number CIR/CFD/DIL/8/2013 dated May 21, 2013, both issued by the Securities and Exchange Board of India (“SEBI Circular”) read with Regulation 37 of SEBI LODR Regulations (erstwhile Clause 24(f) of the Listing Agreement), the Applicant Company had filed necessary applications before the stock exchanges seeking their no-objection to the Scheme. The Company has received Observation Letters from the National Stock Exchange of India Limited and BSE Limited dated March 11, 2016. A copy of the Observation Letters are enclosed as Annexures to this Notice.
- b) As required by the SEBI Circular, the Applicant Company has filed the Complaints Report (indicating NIL complaint) with BSE Limited and National Stock Exchange of India Limited on January 9, 2016. After filing of the Complaints Report, the Applicant Company has received NIL complaints. A copy of the aforementioned Complaints Report is enclosed herewith.
- c) Transferee Company and Transferor Company have made the separate applications before the High Court of judicature at Bombay for the sanction of the Scheme under Sections 391 and 394 of the Companies Act, 1956

## 9. Extent of shareholding of Directors and Key Managerial Personnel:

- a) The directors of the Transferor and Transferee Company and relatives of the aforementioned persons may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme, or to the extent the said persons are interested or involved in any of the companies that are the subject of the Scheme or any entity that directly holds shares in any of the companies.
- b) The details of the present directors and Key Managerial Personnel (KMPs) of Transferee Company and their respective shareholdings in Transferor Company and Transferee Company are as follows:

Sr. No.	Name	Equity Shares held in Transferor Company	Equity Shares held in Transferee Company
	<b>Directors</b>		
1	Jaiprakash Agarwal	75700	407600
2	Ramchandra Agarwal	30330	370700
3	Lalit Agarwal	19450	302000
4	Mahendra Agarwal	13000	362600
5	Jaswant D Sharma	---	---
6	Rajkumar Mehta	---	---
7.	Harkrishana Patni	---	---
8	Alok Bharara	---	---
9.	Priti Lodha	---	---
	<b>KMPs</b>		
1	Rakesh Bhalla	---	---
2	Vipin Agarwal	59750	1600

- c) The details of the present directors and Key Managerial Personnel of Transferor Company and their respective shareholdings in Transferor Company and Transferee Company are as follows:

Sr. No.	Name	Equity Shares held in Transferor Company	Equity shares held in Transferee Company
	<b>Directors</b>		
1	Ramchandra Agarwal	30,330	3,70,700
2	Lalit Agarwal	19,450	3,02,000
3	Kishan Agarwal	30,010	3,48,200

- d) The pre and post (expected) Scheme shareholding pattern of Transferee Company as on March 31, 2016 is as follows:

Sr. No.	Description	Pre-merger shareholding		Expected Post-merger shareholding	
		Number of shares	% (A+B)	Number of shares	% (A+B)
<b>(A)</b>	<b>PROMOTER AND PROMOTER GROUP</b>				
	<b>1 Indian</b>				
	(a) Individuals / Hindu Undivided Family	29,40,545	53.34	54,26,392	67.84
	(b) Bodies Corporate	---	---	---	---
	Any other – Trust	---	---	---	---
	<b>Sub-Total A(1):</b>	<b>29,40,545</b>	<b>53.34</b>	<b>54,26,392</b>	<b>67.84</b>
	<b>2 FOREIGN</b>				
	(a) Individuals (Non-Residents Individuals / Foreign Individuals)	---	---	---	---
	<b>Sub-Total A(2) :</b>	---	----	---	----
	<b>Total A=A(1)+A(2)</b>	<b>29,40,545</b>	<b>53.34</b>	<b>54,26,392</b>	<b>67.84</b>
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>				
	<b>1 INSTITUTIONS</b>				
	(a) Mutual Funds/UTI				
	(b) Foreign Portfolio Investors	---	---	---	---
	(c) Financial Institutions/ Banks	---	---	---	---
	(d) Insurance Companies	---	---	---	---
	<b>Sub-Total B(1) :</b>	---	---	---	---
	<b>2 NON-INSTITUTIONS</b>				
	(a) Bodies Corporate				
	(b) Individuals				
	(i) Individuals holding nominal share capital upto ` 2 lakh	12,04,567	21.85	12,04,567	15.06
	(ii) Individuals holding nominal share capital in excess of ` 2 lakh	2,88,802	5.24	2,88,802	3.62
	(c) Others	10,78,986	19.57	10,78,986	13.48
	<b>Sub-Total B(2) :</b>	<b>25,72,355</b>	<b>46.66</b>	<b>25,72,355</b>	<b>32.16</b>
	<b>Total B=B(1)+B(2) :</b>	<b>25,72,355</b>	<b>46.66</b>	<b>25,72,355</b>	<b>32.16</b>
	<b>GRAND TOTAL (A+B) :</b>	<b>55,12,900</b>	<b>100.00</b>	<b>79,98,747</b>	<b>100.00</b>

- e) Capital Structure of Transferee Company - Pre and Post amalgamation (expected)

- i. Pre and Post amalgamation (expected) capital structure of Transferee Company is as follows:

Description	Pre-Amalgamation as on March 31, 2016		Post- Amalgamation (expected) as on March 31, 2016	
	No. of Shares	Amount in Crs	No. of Shares	Amount in Crs
<b>Authorised Share Capital:</b>				
Equity Shares of ₹ 10/- each	70,00,000	7.00	1,30,00,000	13.00
<b>Issued Share Capital:</b>				
Equity shares of ₹ 10/- each	55,12,900	5.51	79,98,747	7.99
<b>Subscribed &amp; Paid Up Share Capital:</b>				
Equity shares of ₹ 10/- each	55,12,900	5.51	79,98,747	7.99

ii. Pre-Amalgamation capital structure of Transferor Company is mentioned in paragraph 4 (b) above.

#### 10. General:

- a) The rights and interests of the Equity Shareholders, Secured or Unsecured Creditors of Transferor Company and Transferee Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner.
- b) The financial position of the Applicant Company will not be adversely affected by this Scheme. Further, the rights and interests of the shareholders and creditors (secured and unsecured) of either of the companies will not be prejudicially affected by this Scheme as the Applicant Company, post this Scheme, will be able to meet its liabilities as they arise in the ordinary course of business.
- c) There are no winding up proceedings pending against the Applicant Company as of date.
- d) No investigation proceedings have been instituted or are pending under Sections 235 to 251 of the Companies Act, 1956 and Section 210 of the Companies Act, 2013, against Transferor Company and Transferee Company.
- e) The following documents will be open for inspection by the equity shareholders of the Transferee Company up to 1 (one) day prior to the date of the meetings at its registered office between 11:00 a.m. and 2:00 p.m. on all working days, excepts, Sundays and Public Holidays:
  - (i) Papers and proceedings in Company summons for direction No. 201 of 2016 including certified copy of the Order of the Hon'ble High Court of judicature at Bombay in the said Company Application directing the convening and holding of the meetings of the equity shareholders of the Applicant Company;
  - (ii) Scheme of Amalgamation;
  - (iii) Memorandum and Articles of Association of Transferor Company and Transferee Company;
  - (iv) Annual Report of Transferee Company for the financial year ended March 31, 2015;
  - (v) Annual Report of Transferor Company for the financial year ended March 31, 2015;
  - (vi) Copy of the Valuation Report on the Share Exchange Ratio dated November 9, 2015, issued by Ladha Singhal & Associates;
  - (vii) Copy of the Fairness Opinion dated November 9, 2015, issued by Saffron Capital Advisors Private Limited;
  - (viii) Copy of Observation Letters from the National Stock Exchange of India Limited and BSE Limited both dated March 11, 2016.
  - (ix) Copy of the Complaints Report dated January 9, 2016, submitted by Transferee Company to NSE and BSE respectively and also uploaded on Transferee Company's website.
  - (x) Copy of Register of Director's Shareholders of Applicant Company.
- f) A copy of the Scheme, Explanatory Statement and Form of Proxy may be obtained free of charge on any working day (except sundays & public holidays) till June 12, 2016 from the registered office of Transferee Company or/ and at the office of advocate situated at B-504, Prathamesh Tower Lower Parel, Mumbai 400013, India.
- g) This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956.

**Sd/-  
Jaiprakash Agarwal  
Managing Director**

May 10, 2016

#### Registered Office:

Eastern Court, Unit No. 201- 202, Plot No. 12,  
V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra — 400071.

## ANNEXURE A

**SCHEME OF AMALGAMATION  
OF  
AGARWAL PETROCHEM PRIVATE LIMITED  
WITH  
AGARWAL INDUSTRIAL CORPORATION LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS  
(UNDER SECTION 391 TO 394 READ WITH APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 (TO  
THE EXTENT APPLICABLE, PROVISIONS OF THE COMPANIES ACT, 2013)**

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This Scheme of Amalgamation provides for the merger of Agarwal Petrochem Private Limited (Company Registration Number: 069703 and having Corporate Identification Number: U24110MH1992PTC069703) incorporated on 25 November, 1992 under the provisions of Companies Act, 1956 with Agarwal Industrial Corporation Limited (Company Registration Number: 084618 and having Corporate Identification Number: L99999MH1995PLC084618) incorporated on 13 January, 1995 under the provisions of Companies Act, 1956 pursuant to Sections 391 to 394 and other applicable provisions, if any, of the Companies Act 1956 (to the extent applicable provisions of the Companies Act, 2013).

### PREAMBLE

#### Description of Companies

- A) Agarwal Industrial Corporation Limited: Agarwal Industrial Corporation Limited ('AICL') is a listed company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra - 400071 India. AICL was originally constituted as a public limited company on 13 January, 1995 under the name and style of "Bombay Baroda Roadways (India) Limited". Subsequently on 26th March, 2008 the name was changed to its present name of "Agarwal Industrial Corporation Limited". AICL has the main objects of carrying on business of transport throughout India of goods, gas, oils, bitumens, chemicals and to operate, establish and maintain garages, service station, workshops, petrol pumps etc. AICL is currently engaged in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products and LPG & Wind Power Generation. The details of the authorised, issued, subscribed and paid-up share capital of AICL are set out in the Scheme. The equity shares of AICL are listed on National Stock Exchange of India Limited ('NSE') & BSE Limited ('BSE').
- B) Agarwal Petrochem Private Limited: Agarwal Petrochem Private Limited ('APPL') is an unlisted company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 37, New Chemical Zone, MIDC - Taloja, Taloja, Maharashtra - 410208 India. APPL was originally constituted as a private limited company on 25th November, 1992 under the name and style of "Ultra Fine Organics Private Limited". Subsequently on 26th October, 2004 the name was changed to its present name of "Agarwal Petrochem Private Limited". APPL has the main objects of carrying on the business to manufacture, process, produce, formulate, acquire, sell, transport, refine, treat in all types of petrochemicals, organic and inorganic chemicals, industrial chemicals, their formulations, derivatives, compounds, by-products, mixtures etc. APPL is currently engaged in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products & Wind Power Generation. The details of the authorised, issued, subscribed and paid-up share capital of APPL are set out in the Scheme.

This Scheme of Amalgamation ("Scheme") (more particularly described hereinafter) is presented pursuant to Section 391-394 and other applicable provisions, if any of the Companies Act, 1956 and the Companies Act, 2013.

### RATIONALE AND PURPOSE OF THE SCHEME

Both the Companies are part of the Agarwal Group ('the Group'). It is proposed to merge Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited

#### Rationale for merger of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited:

- i) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure;
- ii) Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited;
- iii) Elimination of duplication in administrative costs and multiple record-keeping, thus resulting in cost savings; and
- iv) Concentrated effort and focus by the senior management to grow the business by eliminating duplicative communication and burdensome coordination efforts across multiple entities.

## OVERVIEW

Upon the merger of APPL into AICL, pursuant to this Scheme becoming effective on the Effective Date, AICL will issue and allot any equity shares to the shareholders of APPL.

After the effectiveness of the Scheme, the securities of AICL issued pursuant to the merger shall be listed with the NSE and the BSE (where the AICL's shares are originally listed)

The Scheme is divided into the following parts:

1. **PART A** which deals with definitions and share capital;
2. **PART B** which deals with merger of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited
3. **PART C** which deals with Other Significant Clauses applicable and sets forth certain additional arrangements that form a part of this Scheme

## PART A — DEFINITION AND SHARE CAPITAL

### 1. DEFINITIONS

In this scheme, unless repugnant to the meaning or context thereof, the following expression shall have the meaning mentioned herein below:

- 1.1. **“Act” or “the Act”** means the Companies Act, 1956 and the Companies Act, 2013, as applicable, and rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force. It is being clarified that as on the date of approval of this Scheme by the Board of Directors of the Transferor Company and the Transferee Company, Section 391 to 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are reference to the particular provisions of the Companies Act, 1956. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such reference shall, unless a different intention appears, be construed as reference to the provisions so re-enacted.
- 1.2. **“AICL” or “Transferee Company”** means Agarwal Industrial Corporation Limited, a company incorporated under the Act and having its registered office at Eastern Court, Unit No. 201202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai Maharashtra - 400071, India.
- 1.3. **“APPL” or “the Transferor Company”** means Agarwal Petrochem Private Limited, a company incorporated under the Act and having its registered office at 37, New Chemical Zone, MIDC - Taloja, Taloja, Maharashtra - 410208, India.
- 1.4. **“Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.5. **“Appointed Date”** means 1st April, 2015 or such other date as may be fixed or approved by the Hon'ble High Court of Maharashtra at Mumbai or National Company Law Tribunal or any other appropriate authority.
- 1.6. **“Appropriate Authority”** means any governmental, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including Securities and Exchange Board of India; Stock Exchanges; Registrar of Companies Mumbai and the High Court of Mumbai.
- 1.7. **“Effective Date”** means last of the dates on which the conditions specified in Clause 14 of the Scheme are fulfilled with respect to a particular Part of the Scheme.  
  
References in this Scheme to the date of “coming into effect of this Scheme” or “upon the Scheme being effective” shall mean the Effective Date.
- 1.8. **“High Court” or “Court”** means the High Court of Maharashtra at Mumbai and shall include the National Company Law Tribunal ('NCLT'), if and when applicable or such other forum or Appropriate Authority as may be vested with any of the powers of a High Court under the Act.
- 1.9. **“Record Date”** means such date to be mutually fixed by the Board of Directors of Transferee Company in consultation with the Board of Directors of Transferor Company after the sanction of this scheme by the High Court or such other competent authority as is empowered to sanction the scheme, to determine the members of Transferor Company to whom equity shares of Transferee Company will be allotted pursuant to Part B of this scheme.
- 1.10. **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) as approved or imposed or directed by the High Court or any other Appropriate Authority, as the case may be.

1.11. **“Undertaking(s)”** in relation to the Transferor Company, shall mean whole of the undertaking(s) and business of the Transferor Company as a going concern, including (without limitation):

- a) All the businesses, properties, assets and liabilities of whatsoever kind and wheresoever situated as on the Appointed Date;
- b) Without prejudice to the generality of the foregoing clause, Undertaking(s) shall include all rights, powers, authorities, privileges, liberties and all properties and assets whether movable or immovable, tangible or intangible, current or noncurrent, freehold or leasehold, real or corporeal, in possession or reversion, present or contingent of whatsoever nature and wheresoever situated including, without limited to plant and machinery, office equipments, inventories, furniture and fixtures, capital work in progress, power lines, railway sidings, depots, contingent rights or benefits, benefit of any deposits, financial assets, leases and hire purchase contracts, leasehold rights, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, assignments and grants in respect thereof, operating agreements, investment of all kinds (including investment in shares, scrips, stocks, bonds, debenture stock, units, mutual funds), sundry debtors, cash and bank balances, loans and advances, amount receivable from ESOP trust, leasehold improvements, accrued interest, vehicles, appliances, computers, software, accessories, registrations, lease, claims, allotments, approvals, consents, letters of intent, registrations, licences with any regulatory authority, credits, titles, interest, import quotas and other quota rights, right of user, right of way to lay pipelines, municipal permissions or powers of every kind, nature and description whatsoever in connection and all other permissions, rights (including rights under any contracts, government contracts, memoranda of understanding, etc.), entitlements, copyrights, patents, trademarks, trade names, domain names and other industrial designs, trade secrets, or intellectual property rights of any nature and all other interest, and advances and or moneys paid or received, all statutory licences, and / or permissions to carry on the operations, deferred tax benefits and any other direct / indirect tax benefits, privileges, liberties, easements, advantages, benefits, exemptions, permissions, and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor, all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests together with all present and future liabilities (including contingent liabilities), all the provisions including provision for tax, benefits of tax relief including the Income tax Act, 1961 such as credit for advance tax, taxes deducted at source, MAT, unutilised deposits or credits, benefits under the VAT / sales tax law, sales tax credit, unutilized deposits or credits, benefits of any unutilized MODVAT / CENVAT / service tax credits, etc, all deposits and balances with Government, Semi Government, Local and other authorities and bodies, customers and other persons, earnest moneys and / or security deposits paid or received, all necessary books, records, files, papers, records of standard operating procedures, computer programmes along with their licences, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form, all earnest monies and / or deposits, all permanent and I or temporary employees; and
- c) All liabilities, including, without being limited to, secured and unsecured debts (whether in Indian rupees or Foreign currency), sundry creditors, advances / deposits from customer, deferred revenues, duties and obligation and provisions of every kind, nature and description of whatsoever and howsoever arising, raised, incurred or utilized.

In this Part, unless the context otherwise requires:

- the words denoting the singular shall include the plural and vice versa;
- headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- references to the word “include” or “including” shall be construed without limitation;
- a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- reference to a document includes an amendment or supplement to, or replacement or novation of, that document; and
- word(s) and expression(s) which are used in this Scheme and not defined in part, shall, unless repugnant or contrary to the context or meaning hereof, and as the context may require, have the same meaning ascribed to them under the Act or the Securities Contracts (Regulations) Act, 1956 or Depositories Act, 1996 or other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

## 2. SHARE CAPITAL

2.1. Share Capital of APPL as at March 31, 2015 was as follows:

Share Capital	Amount
<b>Authorised Share Capital</b> 10,00,000 Equity shares of Rs. 10/- each	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>
Issued, Subscribed and paid up Capital 9,94,339 equity shares of Rs. 10/- each	99,43,390
<b>Total</b>	<b>99,43,390</b>

There has been no change in the share capital of APPL subsequent to above.

2.2. Share Capital of AICL as at March 31, 2015 was as follows:

Share Capital	Amount
<b>Authorised Share Capital</b> 60,00,000 Equity shares of Rs 10/- each	6,00,00,000
<b>Total</b>	<b>6,00,00,000</b>
<b>Issued, Subscribed and paid up Capital</b> 55,12,900 Equity shares of Rs 10/- each fully paid up	5,51,29,000
<b>Total</b>	<b>5,51,29,000</b>

Subsequent to the above date, AICL has increased the Authorized Capital to INR 7,00,00,000 divided into 70,00,000 Equity shares of Rs 10/- each issued. Also has issued 6,60,000 Warrants convertible into equal number of Equity shares of face value of Rs. 10/- each.

## 3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or NCLT or any other Appropriate Authority shall be effective from the Appointed Date but shall be operative from the Effective Date.

## PART B — MERGER OF APPL WITH AICL

### 4. TRANSFER AND VESTING OF UNDERTAKING

4.1. With effect from the Appointed Date and upon the Scheme becoming effective, and subject to the provisions of this scheme, in relation to the mode of transfer and vesting, the whole of Undertaking shall, pursuant to the provisions contained in Section 394(2) and all other applicable provisions, if any, of the Act and without any further act, instrument, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in AICL so as to become Undertaking of AICL by virtue of and in the manner provided in this scheme.

Further, the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income-tax Act, 1961. If any term(s) or provision(s) of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modifications will, however, not affect the other clauses of the Scheme.

4.2. All assets, estate, rights, title, interest, etc. acquired by APPL after the Appointed Date and prior to the Effective Date for operation of APPL or pertaining to or relating to APPL shall also stand transferred to and vested in AICL upon the coming into effect of this Scheme. The transfer and vesting of assets, estate, rights, title, interest, etc. will be treated as an acquisition of assets and liabilities i.e. acquisition of business of APPL on and from the Appointed Date.

4.3. All assets of APPL, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery, novation and / or endorsement and delivery or by operation of law, pursuant to order of the Court, shall be vested in AICL. Upon this Scheme becoming effective, the title of such property shall be deemed to have been mutated and recognised as that of AICL.

4.4. In respect of such of the assets of APPL other than those referred to in clause 4.3 above including investment in shares, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, deposits, if any, with Government, semi-Government, local and other authorities and bodies, shall, without any further act, instrument or deed, be and stand transferred to and vested in AICL and/or be deemed to be transferred to and vested in AICL on the Appointed Date pursuant to the provisions of Section 394 of the Act upon effectiveness of the Scheme. AICL shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

- 4.5. All immovable properties of APPL, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of APPL, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in AICL, by operation of law pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. Such assets shall stand vested in AICL and shall be deemed to be and become the property as an integral part of AICL by operation of law. AICL shall upon the order of the Court sanctioning the Scheme and upon this Scheme becoming effective, be always entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfill all obligations in relation thereto or as applicable to such immovable properties. Upon this Scheme becoming effective and upon payment of applicable stamp duty, the title to such properties shall be deemed to have been mutated and recognised as that of AICL and the mere filing thereof with the appropriate Registrar or Sub-Registrar or with the relevant Government agencies shall suffice as record of continuing titles with AICL and shall be constituted as a deemed mutation and substitution thereof. AICL shall subsequent to scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. It is hereby clarified that all the rights, title and interest of APPL in any leasehold properties shall, pursuant to Section 394(2) of the Act and the provisions of this Scheme, without any further act, instrument or deed, be vested in or be deemed to have been vested in AICL.
- 4.6. Upon the Scheme coming into effect and with effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of APPL shall, pursuant to the provisions of Section 394(2) and other applicable provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, AICL, so as to become on and from the Appointed Date, the debts, liabilities (including contingent liabilities), duties and obligations of AICL on the same terms and conditions as were applicable to APPL, and further that it shall not be necessary to obtain the consent of any person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this clause.
- 4.7. Any statutory licences, authorizations, statutory rights, permissions, approvals, tax registrations, service tax, provident fund, ESI, Reserve Bank of India, or other registrations, no objection certificates, or any consents to carry on the operations of APPL shall stand transferred to and vested in AICL without any further act or deed and shall be appropriately mutated / facilitated by the statutory authorities concerned therewith in favour of AICL so as to empower and facilitate the continuation of the operations of AICL. In so far as the various incentives, service tax benefits, subsidies (including applications for subsidies), rehabilitation Schemes, grants, special status, rights, and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by APPL are concerned, the same shall, without any further act or deed, vest with and be available to AICL on the same terms and conditions as are available to APPL.
- 4.8. All registrations, licences, trademarks, copyrights, domain names, applications for copyrights, trade-names and trademarks, etc. pertaining to APPL, if any, shall stand vested in AICL without any further act, instrument or deed (unless filed only for statistical record with any appropriate authority or Registrar), upon the sanction of the Scheme and upon this Scheme becoming effective.
- 4.9. All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc) payable by or refundable to APPL with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc as the case may be, of AICL, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, etc, as would have been available to APPL, shall pursuant to this Scheme becoming effective, be available to AICL.
- 4.10. Any third party or authority required to give effect to any provisions of this Scheme, shall take on record the order of the Court sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in the name of AICL as successor in interest, pursuant to the sanction of this Scheme by the Court, and upon this Scheme becoming effective. For this purpose, AICL shall file certified copies of such High Court order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licences (including the licences granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.
- 4.11. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of APPL in relation to Undertaking shall stand transferred to AICL, as if the same were originally given by, issued to or executed in favour of AICL, and AICL shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to AICL.
- 4.12. Benefits of any and all corporate approvals as may have already been taken by APPL, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 81(1A), 293(1)(a), 293(1)(d), 295, 297 and 372A, etc, of the Act, read with the rules and regulations made there under, shall stand transferred to and vested in AICL and the said corporate approvals and compliances shall, upon this Scheme becoming effective, be deemed to have been taken/complied with by AICL.

- 4.13. Upon this Scheme becoming effective, the secured creditors of APPL and/or other security holders having charge over the properties of APPL shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of APPL, as existed immediately prior to the effectiveness of this Scheme, and the secured creditors of AICL and/or other security holders having charge over the properties of AICL shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of AICL, as existed immediately prior to the scheme becoming effective. It is hereby clarified that pursuant to amalgamation, the secured creditors of APPL and/or other security holders having charge over the properties of APPL shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of AICL and vice versa, and hence such assets of APPL and AICL, as the case may be, which are not currently encumbered, shall remain free and shall remain available for creation of any security thereon in future in relation to any current or future indebtedness of AICL.
- 4.14. AICL shall, at any time after this Scheme coming into effect, in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which APPL have been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. AICL shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of APPL and to carry out or perform all such formalities or compliances referred to above on the part of APPL.
- 4.15. It is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contracts, deeds, bonds, agreements, Schemes, arrangements, or other instrument of whatsoever nature which APPL owns or to which APPL are party to and which cannot be transferred to AICL for any reason whatsoever, APPL shall hold such assets, contracts, deeds, bonds, agreements, Schemes, arrangements, or other instrument of whatsoever nature in Trust for the benefit of AICL in terms of this Scheme, till such time as the transfer is affected.

## **5. TAXATION MATTERS**

- 5.1. It is expressly clarified that upon the Scheme becoming effective, all taxes payable by APPL on and after the Appointed Date shall be treated as the tax liability of AICL. Similarly, all credits for taxes including but not limited to tax deduction at source of APPL shall be treated as credits for taxes of AICL.
- 5.2. All taxes of any nature, duties, cess or any other like payment or deductions made by APPL to any statutory authorities such as income tax, sales tax, service tax, CENVAT, etc. or any tax deduction or collection at source, relating to the period after the Appointed Date but up to the Effective Date shall be deemed to have been on account of or paid on behalf of AICL and the relevant authorities shall be bound to transfer to the account of and give credit for the same to AICL upon the sanction of the Scheme and upon relevant proof and documents being provided to the said authorities.
- 5.3. Upon this Scheme becoming effective, AICL is also expressly permitted to revise its income tax, withholding tax, service tax, sales tax, value added tax and any other statutory returns and filings under the tax laws, notwithstanding that the period of filing / revising such return may have lapsed and period to claim refund / advance tax and withholding tax credit, etc. also elapsed pursuant to the provisions of this Scheme. AICL shall be entitled to refund and / or set-off all amounts paid by APPL under income taxes, value added tax, service tax, excise duty or any other tax etc. or any other disputed amount under appeal, if any, upon this Scheme becoming effective.

## **6. ALTERATION TO MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF TRANSFEREE COMPANY**

### **6.1. Increase in Authorised Share Capital of AICL**

- 6.1.1 AICL shall, before allotment of the equity shares to the shareholders of APPL, without following the procedure laid down under applicable provisions of the Act, alter the Clause V relating to the authorised share capital, in the Memorandum of Association of the Company, by-

“The Authorised Share Capital of the Company is Rs. 12,00,00,000 (Rupees Twelve Crores only) only divided into 1,20,00,000 equity shares of Rs.10 (Rupees Ten only) each with rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase and reduce the capital of the Company and to divide the shares in capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013, or provided by the Articles of Association of the Company for the time being.”

- 6.1.2 AICL shall, before allotment of the equity shares to the shareholders of APPL, without following the procedure laid down under applicable provisions of the Act, alter Article 3 relating to the authorised share capital in the Articles of Association of the Company, by substituting the existing Article with the following Article-

“The Authorised Share Capital of the Company is Rs. 12,00,00,000 (Rupees Twelve Crores only) only divided into 1,20,00,000 equity shares of Rs.10 (Rupees Ten only) each. The Company shall have the power to increase, consolidate, subdivide, realise or otherwise alter its share capital subject to the provisions of the Act.”

## 6.2. Consolidation of Authorised Share Capital of APPL

- 6.2.1. The authorised share capital of APPL as specified in clause 2.1 amounting to Rs. 1,00,00,000 /- consisting of 10,00,000 Equity shares of Rs. 10/- each shall stand transferred to and combined with the authorised share capital of AICL and shall be re-classified without any further act or deed. The filing fees and stamp duty already paid by APPL on its authorised share capital shall be deemed to have been so paid by AICL on the combined authorised share capital and accordingly, AICL shall not be required to pay any fees / stamp duty on the authorised share capital so increased. The resolution approving the Scheme shall be deemed to be the approval of increase and re-classification in the authorised share capital of AICL under Section 94 of the Companies Act, 1956 (Corresponding notified Section 61 of the Companies Act, 2013) and other applicable provisions of the Act. Accordingly, upon sanction of this Scheme and from the date of this Scheme becoming effective, the authorised share capital of AICL shall automatically stand increased without any further act, instrument or deed on the part of AICL including payment of stamp duty and payment of fees payable to Registrar of Companies.
- 6.2.2. Accordingly, Clause V of the Memorandum of Association of AICL relating to authorised share capital shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 16, 31, 94, (Corresponding notified section 13, 14 and 61 of the Companies Act, 2013) and Section 394 of the Act and other applicable provisions of the Act, as the case may be.
- 6.2.3. Under the accepted principle of Single Window Clearance, it is hereby provided that the aforesaid alteration viz. change in the Capital Clause, referred above, shall become operative upon the Scheme becoming effective by virtue of the fact that the Shareholders of AICL, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Section 16, 31, 94 (Corresponding notified section 13, 14 and 61 of the Companies Act, 2013) and Section 394 of the Act, or any other provisions of the Act, and there shall not be a requirement to pass separate resolutions as required under the Act.

## 7. CONSIDERATION

- 7.1. Upon this Scheme becoming effective, AICL shall without any further application or deed, issue and allot Shares, credited as fully paid-up, to the extent indicated below to the shareholders of APPL, holding shares in APPL and whose name appear in the Register of Members on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the respective Board of Directors in the following proportion:
- 7.2. Upon this Scheme coming into effect and upon vesting of the Undertaking of APPL in AICL, APPL shall provide to AICL, the list of equity shareholders of APPL as on the Record Date, who are entitled to receive fully paid-up equity shares, in AICL in terms of this Scheme.
- 7.3. Upon this Scheme coming into effect, the shareholders of the APPL as of the Record Date shall be entitled to receive equity shares of AICL as detailed in this Clause 7 of Part B of this Scheme.
- 7.4. Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the undertaking of APPL in AICL in terms of this Scheme, AICL subject to the provisions of this Scheme shall issue and allot to the equity shareholders of the APPL, and whose name appears in the Register of Members as on the Record Date, his/her heirs, executors, administrators or the successors-in-title, as the case may be in the ratio of 5 (Five) equity share having a face value of Rs. 10 each of AICL for every 2 (Two) equity share having a face value of Rs. 10 each of APPL, each equity share being fully paid-up ( the "Merger Share SWAP Ratio").
- 7.5. The Transferor Company and the Transferee Company had engaged Ladha Singhal & Associates, as the chartered accountants to provide a valuation report. In connection with such engagement, Ladha Singhal & Associates, has issued a valuation report dated 09/11/2015.
- 7.6. The Transferor Company had engaged Saffron Capital Advisors Private Limited as the merchant bankers to provide a fairness opinion on the Merger Share Entitlement Ratio adopted under the Scheme. In connection with such engagement, Saffron Capital Advisors Private Limited has issued a fairness opinion dated 9/11/ 2015.

## 8. SHARE ISSUE MECHANICS AND OTHER PROVISIONS

- 8.1. The equity shares to be issued and allotted by AICL in terms of Clause 7 of Part B of this Scheme shall be subject to the provisions of the memorandum of association and the articles of association of AICL and shall rank pari passu in all respects with the existing equity shares of AICL.
- 8.2. All Certificates for the new shares held in physical form shall be sent by AICL to the shareholders of APPL as on the Record Date at their respective registered addresses as appearing in the register of members of APPL (or in the case of joint holders to the address of such joint holder whose name stands first in such register of members in respect of such joint holding) and AICL shall not be responsible for any loss in transmission.
- 8.3. All equity shareholders of APPL holding equity shares in APPL in dematerialised form, as on the Record Date, shall be issued fresh equity shares in AICL in dematerialised form. All equity shareholders of APPL holding equity shares in APPL in physical form, as on the Record Date, shall at the option of the shareholder be issued fresh equity shares in AICL in physical / dematerialised form.

- 8.4. For the purpose of the allotment of equity shares in AICL pursuant to Clause 7 above, in case any member's holding in APPL is such that the member becomes entitled to a fraction of an equity share of AICL, AICL shall not issue fractional shares to such members but shall consolidate such fractions and issue consolidated equity shares to separate trustees nominated respectively by AICL in that behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same, in proportion to the respective fractional entitlements in AICL.
- 8.5. On the approval of the Scheme by the members of AICL pursuant to Section 391 of the 1956 Companies Act, it shall be deemed that the members have accorded their consent under Section 62(1A) of the 2013 Companies Act, or any other applicable provision of the 2013 Companies Act as may be applicable. AICL shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the Securities and Exchange Board of India and the NSE and the BSE, for the issue and allotment by AICL of equity shares to the members of APPL pursuant to the Scheme.
- 8.6. All equity shares of AICL issued in terms of this Scheme or otherwise shall, subject to the execution of the listing agreement and payment of the appropriate fees, be listed on the NSE and the BSE and on such other recognised stock exchange(s) in India, and/or admitted to trading if any, as may be decided by the Board of Directors of AICL.
- 8.7. In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of APPL, the Board of Directors, or any committee thereof, of APPL shall be empowered in appropriate cases, even subsequent to the Record Date, as the case may be, to effectuate such a transfer in APPL, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to APPL or AICL, as the case may be, in respect of such shares.
- 8.8. Unless otherwise determined by the Board of Directors, or any committee thereof, of APPL and the Board of Directors, or any committee thereof, of AICL, allotment of shares in terms of this Scheme shall be completed within forty five (45) days from the Effective Date.
- 8.9. Subject to any dispensation granted by the Securities and Exchange Board of India, the BSE and/or the NSE, the shares allotted pursuant to Clause 17 of the Scheme shall remain frozen in the depositories system until permission for listing/trading is granted by the BSE and the NSE.
- 8.10. Transferee Company shall comply with the relevant and applicable rules and regulation including provision of FEMA to enable it to issue shares pursuant to this Scheme.

## **9. ACCOUNTING TREATMENT**

On the Scheme becoming effective and with effect from the Appointed Date, AICL shall account for the merger in its books as under:

- 9.1. AICL shall account the merger of APPL as per the pooling of interest method as set out in Accounting Standard 14 (AS 14) referred to in Section 210 and 211 of the Companies Act (Corresponding notified Section 129 and 133 of the Companies Act, 2013);
- 9.2. As on the Appointed Date, pursuant to the merger of APPL with AICL, the intercompany balances and investments between AICL and APPL, if any, appearing in the books of accounts of AICL will stand cancelled.
- 9.3. In addition, AICL shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any other accounting standards.

## **10. DISSOLUTION OF APPL**

Upon the scheme being effective, APPL shall stand dissolved without being wound up pursuant to the provisions of Section 394 of the Act.

## **PART C — OTHER SIGNIFICANT CLAUSES**

### **11. PROVISIONS APPLICABLE TO PART B OF THE SCHEME**

#### **11.1. LEGAL PROCEEDINGS**

If any suit, appeal or other proceeding of whatsoever nature by or against Transferor Company is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced, as the case may be, by or against AICL, in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against Transferor Company, if this Scheme had not been made.

#### **11.2. CONTRACT, DEEDS, ETC.**

- 11.2.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, understandings whether written or oral and other instruments, if any, of whatsoever nature to which Transferor Company are party or to the benefit of which Transferor Company may be eligible and which are subsisting or having effect on the Effective Date, shall without any further act, instrument or

deed, be in full force and effect against or in favour of AICL, as the case may be, and may be enforced by or against AICL, as fully and effectively as if, instead of Transferor Company / APPL, AICL had been a party or beneficiary or obligee thereto.

- 11.2.2. Without prejudice to other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertaking occurs by virtue of this Scheme itself, AICL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party, to any contract or arrangement to which Transferor Company are parties, as may be necessary, to be executed in order to give formal effect to the above provisions. AICL shall be deemed to be authorised to execute any such writings on behalf of Transferor Company, and to carry out or perform all formalities or compliances required for the purposes referred to above on the part of Transferor Company.

### **11.3. EMPLOYEES**

11.3.1. Upon the coming into effect of this Scheme,

- 11.3.1.1. All the employees of APPL as on the Effective Date shall stand transferred to AICL without any interruption in service as a result of transfer of Undertaking of APPL to AICL. The position, rank, and designation, terms and conditions (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits) of the employees would be decided by the Board of Directors or any committee / sub-committee or person(s) so authorised by the Board of AICL.
- 11.3.1.2. AICL agrees that the services of all such employees (as mentioned in clause 11.3.1.1 above) with APPL prior to the transfer, as aforesaid, shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in APPL. It is clarified that the services of the staff, workmen and employees of APPL will be treated as having been continuous for the purpose of calculating statutory benefits, if any.
- 11.3.1.3. The existing provident fund, superannuation fund and gratuity fund, if any, of which the aforesaid employees of APPL, being transferred under clause 11.3.1.2 above to AICL, are members or beneficiaries along with all accumulated contributions therein till the Effective Date, shall, with the approval of the concerned authorities, be transferred to and continued without any break. Accordingly, the provident fund, superannuation fund and gratuity fund dues, if any, of the said employees of APPL would be continued to be deposited in the transferred provident fund, superannuation fund and gratuity fund account by AICL. In case, necessary approvals are not received by the Effective Date and there is a delay, all such amounts shall continue to be administered by AICL as trustee from the Effective Date till the date of actual transfer and, on receiving the approvals all the accumulated amounts till such date, shall be transferred to the respective funds of AICL suo moto.

### **11.4. SAVING OF CONCLUDED TRANSACTIONS**

The transfer and vesting of the assets, liabilities and obligations of Transferor Company as per this Scheme and the continuance of the proceedings by or against the Transferee Company thereof shall not affect any transaction or proceedings already concluded by Transferor Company on or before the Effective Date, to that end and intent that AICL accepts and adopts all acts, deeds and things done and executed by Transferor Company as acts deeds and things done and executed by and on behalf of AICL, as the case may be.

### **11.5. CONDUCT OF BUSINESS TILL EFFECTIVE DATE**

- 11.5.1. With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company shall be deemed to have been carrying on all business on account of and in trust for AICL. All profits accruing to Transferor Company or losses including tax losses, arising or incurred by Transferor Company for the period commencing from the Appointed Date and up to and including the Effective Date shall, for all purposes, be treated as the profits or losses, as the case may be, of AICL.
- 11.5.2. Transferor Company hereby confirms that it has, and shall continue upto the Effective Date, to preserve and carry on the business with diligence, prudence and that it will not, without the prior consultation with AICL, alienate, charge or otherwise deal with or dispose off any Undertaking or any part thereof or recruit any new employees (in each case except in the ordinary course of business) or conclude settlements with unions or employees or undertake substantial expansion to the Undertaking, other than expansions which have already commenced prior to the Appointed Date.

### **11.6. DECLARATION OF DIVIDENDS**

- 11.6.1. Transferor Company shall be entitled to declare or pay dividend, whether interim or final, to their equity shareholders in respect of any accounting period prior to the Effective Date, but only consistent with past practice, or in the ordinary course. Any declaration or payment of dividend otherwise than as aforesaid, by Transferor Company shall be subject to the prior approval of the Board of Directors of AICL and in accordance with applicable laws.

11.6.2. For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent AICL from declaring and paying dividend, whether interim or final, to its equity shareholders as on the record date for the purpose of dividend and the shareholders of Transferor Company shall not be entitled to dividend, if any, declared by AICL prior to the Effective Date.

It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Transferor Company and / or AICL to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of Transferor Company or AICL, as the case may be, subject to such approvals of the shareholders, as may be required.

## **12. APPLICATIONS TO HIGH COURT**

12.1. APPL and AICL shall, as may be required make necessary applications and/or petitions to the Company Court under Sections 391 to 394 of the 1956 Companies Act and other provisions of the Companies (Court) Rules, 1959 along with the applicable provisions of the 2013 Companies Act seeking orders for dispensing with or convening, holding and conducting of the meetings of members and/or creditors and for sanction of this Scheme with such modification as may be approved by the Company Court and all matters ancillary or incidental thereto.

12.2. Upon this Scheme being approved by the requisite majority of the shareholders and creditors of APPL and AICL respectively (wherever required), APPL and AICL shall, with all reasonable dispatch, file respective petitions before the Company Court for sanction of this Scheme under Sections 391 to 394 and other provisions of the Companies (Court) Rules, 1959 along with applicable provisions of the 2013 Companies Act and for such other order or orders, as the Company Court may deem fit for putting this Scheme into effect.

12.3. Upon this Scheme becoming effective, the shareholders of AICL shall be deemed to have also accorded their approval under all relevant provisions of the 1956 Companies Act and 2013 Companies Act for giving effect to the provisions contained in this Scheme.

## **13. MODIFICATIONS OR AMENDMENTS TO THE SCHEME**

13.1. AICL and APPL by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the High Courts or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. AICL and APPL by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the Scheme by the High Court, there is any confusion in interpreting any clause of this Scheme, or otherwise, Board of Directors of APPL will have complete power to take the most sensible interpretation so as to render the Scheme operational.

13.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Board of Directors of APPL may give and are hereby authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

## **14. EFFECTIVENESS OF THE SCHEME**

14.1. Subject to the provisions of this Scheme, this Scheme shall become effective on the last of the following dates (the "Effective Date"):

- (a) the Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of APPL and AICL as required under the 1956 Companies Act, 2013 Companies Act and the requisite orders of the Company Court being obtained;
- (b) receipt of such other sanctions and approvals including sanction of any governmental authority (including the Securities and Exchange Board of India) or stock exchanges as may be required by law in respect of the Scheme being obtained; and
- (c) the certified copies of the court orders referred to in this Scheme being filed with the Registrar of Companies

## **15. MODIFICATIONS OR AMENDMENTS TO THE SCHEME**

15.1. This Scheme is and shall be conditional upon and subject to:

- (a) The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of the APPL, and AICL as may be directed by the High Court;
- (b) The sanction of the High Court under Sections 391 to 394 of the Companies Act, 1956 in favour of APPL and AICL under the said provisions and to the necessary Order under Section 394 of the said Act being obtained;

- (c) Approval of the Scheme, by the Stock Exchange, pursuant to clause 24(f) of the Listing Agreement between such Stock Exchanges;
- (d) Approval of the Scheme by SEBI in terms of SEBI Circulars ;
- (e) Approval of the Scheme by the public shareholders of the AICL in accordance with the provisions of SEBI Circulars. Such approval will be obtained through resolution pass through postal ballot and e-voting and the Scheme shall be acted only if the votes casted by public shareholders in favor of the proposal are more than the number of votes casted by public shareholders against it;
- (f) Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies, Mumbai at Maharashtra, by the Transferor Company, the Transferee Company or APPL and AICL as may be applicable.

15.2. Each Section of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. Each Section is independent of the other Section of the Scheme and is severable. The Scheme shall be effective upon sanction of the High Court. However, failure of any one part of one Section for lack of necessary approval from the shareholders / creditors / statutory regulatory authorities or for any other reason that the Board of Directors may deem fit than this shall not result in the whole Scheme failing. It shall be open to the concerned Board of Directors to consent to sever such part(s) of the Scheme and implement the rest of the Scheme with such modification.

#### **16. EFFECT OF NON-RECEIPT OF APPROVALS**

In the event of any of the approvals or conditions enumerated in the Scheme not being obtained or complied, or for any other reason, this Scheme cannot be implemented, then the Board of Directors of AICL and APPL shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with this Scheme.

#### **17. COSTS, CHARGES AND EXPENSES**

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or High Court's order including this Scheme or in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by AICL.

**Fairness Opinion Report on 'Valuation Report' issued for Proposed Scheme of  
Amalgamation of Agarwal Petrochem Private Limited with Agarwal Industrial  
Corporation Limited**

**Prepared by**



**Saffron Capital Advisors Private Limited**

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Andheri-Kurla Road, J. B. Nagar,  
Andheri East, Mumbai – 400059.  
Ph: +91-22-4082 0906 Fax: +91-22-4082 0999

**November 9<sup>th</sup>, 2015**

SEBI Registered Category I Merchant Banker

SEBI Registration No: INM000011211

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**Notice to**

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This report is prepared by Saffron Capital Advisors Private Limited ("Saffron") solely for the purpose of giving a fairness opinion on "Valuation Report" issued for the proposed "Scheme of Amalgamation" of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited pursuant to clause 24(f) and 24(h) of the Listing Agreement and the Securities Exchange Board of India ("SEBI") Circular No CIR/CFD/DIL/5/2013 dated 4<sup>th</sup> February 2013 and CIR/CFD/DIL/8/2013 dated 21<sup>st</sup> May 2013. This report is not to be used, circulated, and quoted otherwise than for the purpose stated herein. This report is subject to the scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts. This report has been prepared solely for the purpose set out in this report and should not be reproduced (in part or otherwise) in any other document whatsoever without Saffron's written consent.

For the purpose of this assignment, Saffron has relied on the Valuation Report dated November 9, 2015 prepared by Ladha Singhal and Associates, Chartered Accountants [represented by CA Ajay Singhal (Membership No. 104451) having their head office situated at 209, Apollo Complex, R.K. Singh Marg, Off Parsi Panchayat Road, Near Sona Udyog, Andheri(E), Mumbai – 400 069] for the proposed "Scheme of Amalgamation" of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited and information and explanation provided to it, the accuracy where of has not been evaluated by Saffron. Saffron's work does not constitute certification or due diligence of the past working results and Saffron has relied upon the information provided to it as set out in audited and working results of the aforesaid reports.

Saffron has not carried out any physical verification of the assets and liabilities of the companies and takes no responsibility on the identification of such assets and liabilities.

We hereby give our consent to present and disclose the Fairness Opinion in the general meetings of the shareholders of Agarwal Industrial Corporation Limited pursuant to Clause 24 of the Listing Agreement, to the Stock Exchanges and to the Registrar of Companies.

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Private and Confidential

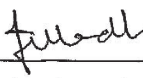



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Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

The information contained in this Report is selective and is subject to updating, expansions, revisions and amendment, if any. It does not purport to contain all the information recipients may require. No obligation is accepted to provide recipients with access to any additional information or to correct any inaccuracies which might become apparent. Recipients are advised to independently conduct their own investigation and analysis of the business of the Companies. The report has been prepared solely for the purpose of giving a fairness opinion on Valuation Report issued for the proposed Scheme of Amalgamation of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited and may not be applicable or referred to or quoted in any other context.

For **Saffron Capital Advisors Private Limited**

  
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**Authorised Signatory**



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## Introduction and Scope of Assignment

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### 1. Transferor Company – Agarwal Petrochem Private Limited or “APPL”:

Agarwal Petrochem Private Limited ('APPL') is an unlisted company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 37, New Chemical Zone, MIDC - Talaja, Talaja, Maharashtra - 410208 India. APPL was originally constituted as a private limited company on 25th November, 1992 under the name and style of "Ultra Fine Organics Private Limited". Subsequently on 26th October, 2004 the name was changed to its present name of "Agarwal Petrochem Private Limited". APPL has the main objects of carrying on the business to manufacture, process, produce, formulate, acquire, sell, transport, refine, treat in all types of petrochemicals, organic and inorganic chemicals, industrial chemicals, their formulations, derivatives, compounds, by-products, mixtures etc. APPL is currently engaged in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products and LPG & Wind Power Generation.

### 2. Transferee Company – Agarwal Industrial Corporation Limited or “AICL”:

Agarwal Industrial Corporation Limited ('AICL') is a listed company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Eastern Court, Unit No. 201202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra - 400071 India. AICL was originally constituted as a public limited company on 13 January, 1995 under the name and style of "Bombay Baroda Roadways (India) Limited". Subsequently on 26th March, 2008 the name was changed to its present name of "Agarwal Industrial Corporation Limited". AICL has the main objects of carrying on business of transport throughout India of goods, gas, oils, bitumens, chemicals and to operate, establish and maintain garages, service station, workshops, petrol pumps etc. AICL is currently engaged in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products and LPG & Wind Power Generation. The details of the authorised, issued, subscribed and paid-up share capital of AICL are set out in the



Scheme. The equity shares of AICL are listed on National Stock Exchange of India Limited ('NSE') & BSE Limited ('BSE').

### 3. Capital Structure

- 3.1 The authorized, issued, subscribed and paid-up share capital of APPL as on March 31, 2015 is as under:

Share Capital	Amount in Rs.
<b>Authorized Share Capital</b>	
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
9,94,339 Equity Shares of Rs.10/- each, fully paid-up	99,43,390
<b>Total</b>	<b>99,43,390</b>

There has been no change in the share capital of APPL subsequent to above.

- 3.2 The authorized, issued, subscribed and paid-up share capital of AICL as on March 31, 2015 is as under:

Share Capital	Amount in Rs.
<b>Authorized Share Capital</b>	
60,00,000 Equity Shares of Rs.10/- each	6,00,00,000
<b>Total</b>	<b>6,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
55,12,900 Equity Shares of Rs.10/- each, fully paid-up	5,51,29,000
<b>Total</b>	<b>5,51,29,000</b>

Subsequent to the above date, AICL has increased the Authorized Capital to INR 7,00,00,000 divided into 70,00,000 Equity shares of Rs 10/- each issued. Also has issued 6,60,000 Warrants convertible into equal number of Equity shares of face value of Rs. 10/- each.



4. The Boards of Directors of APPL and AICL have determined to issue equity shares of the AICL, to the shareholders of APPL based on their independent judgment, given the fact the merger is within the group companies. Accordingly, AICL shall, without any further act or deed, issue and allot to the shareholders of the APPL whose name is recorded in the register of members of the APPL on the Record Date, equity shares of the AICL in the ratio of 5 equity share having a face value of Rs. 10 each of AICL for every 2 equity share having a face value of Rs. 10 each of APPL, each equity share being fully paid-up (**the "Merger Share SWAP Ratio"**).
5. Valuation has been decided based on the Valuation Report prepared by by Ladha Singhal and Associates, Chartered Accountants [represented by CA Ajay Singhal (Membership No. 104451) having their head office situated at 209, Apollo Complex, R.K. Singh Marg, Off Parsi Panchayat Road, Near Sona Udyog, Andheri(E), Mumbai – 400 069]
6. We, Saffron Capital Advisors Private Limited, a SEBI registered Category-I Merchant Banker, have been engaged to give a fairness opinion on Valuation Report issued for the proposed Scheme of Amalgamation of APPL with AICL. The valuation mentioned herein reflects our independent opinion which is arrived at based on the information provided to us.



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### Rationale and Purpose of the Scheme

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- Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure;
- Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited;
- Elimination of duplication in administrative costs and multiple record-keeping, thus resulting in cost savings; and
- Concentrated effort and focus by the senior management to grow the business by eliminating duplicative communication and burdensome coordination efforts across multiple entities.

*(Source: Draft Scheme of Amalgamation)*

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### Exclusions and Limitations

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- In this connection, Saffron has been requested by AICL to submit a report by giving a fairness opinion on Valuation Report issued for the proposed Scheme of Amalgamation of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited.
- We have prepared the Fairness Opinion on the basis of the following information provided to us / collated by us from publicly available sources, like website of BSE/NSE:
  - a) Audited financial statements of AICL and APPL for the 3 years ended March 31, 2015
  - b) Draft Scheme of Amalgamation provided by AICL



- c) Valuation Report issued by Ladha Singhal and Associates, Chartered Accountants and
  - d) Such other information and explanations as we require and which have been provided by the management of the company
- 
- Our valuation exercise and conclusions reached by us are dependent on the information provided to us being complete and accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment does not involve performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. As such we have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our report.
  
  - Our report will not be offered to any section of the public to subscribe for or purchase any securities in or assets or liabilities of any company or business valued by us. This report is prepared with a limited purpose/ scope as identified/ stated earlier and will be confidential being for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.



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**Key Extracts of Valuation Report of Ladha Singhal and Associates, Chartered Accountants**

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As requested by the management of Agarwal Industrial Corporation Limited (hereinafter referred to as "AICL") and Agarwal Petrochem Private Limited (hereinafter referred to as "APPL"), we have undertaken the valuation exercise of the equity shares of AICL and APPL to recommend fair share exchange ratio for the proposed amalgamation of APPL into AICL (hereinafter collectively referred to as "the Companies").

We have been informed that the Management of AICL and APPL (hereinafter collectively referred to as "the Management") are considering a proposal for the amalgamation of APPL into AICL (hereinafter referred to as "amalgamation") pursuant to the provisions of Sections 391 to 394 read with other applicable provisions of the Companies Act, 1956 and Companies Act, 2013. Subject to necessary approvals, APPL would be merged into AICL, with effect from the Appointed Date of [ ]. In consideration for the amalgamation, equity shares of AICL would be issued to the shareholders of APPL.

For the purpose of valuation for amalgamation, generally the following approaches are adopted:

- (a) the "Underlying Asset" approach;
- (b) the "Income" approach; and
- (c) the "Market Price" approach.

Considering the fact that, after the amalgamation, the business of the Companies is intended to be continued on a "going concern" basis and that there is no intention to dispose-off the assets, to arrive at relative value of AICL and APPL, we have considered it appropriate to give a higher weightage to the value determined under the "income approach" and "market price approach" as compared to the weightage to the value determined under the "underlying asset approach". The weightage given to different approach for AICL and APPL are as under:



Methods	AICL	APPL
Underlying Asset Approach	2	2
Income Approach	3	NA
Market Price Approach	3	6

In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this report, in our opinion, a fair ratio of exchange in the event of amalgamation of APPL into AICL would be as under:

**5 (Five) equity shares of AICL of Rs 10 each fully paid up for every 2 (Two) equity shares of APPL of Rs. 10 each fully paid up.**

#### Conclusion and Opinion on Valuation Report

##### Conclusion:

We have reviewed the valuation report and based on the information, material data made available to us, to best of our knowledge and belief, the valuation suggested by the Valuer (Ladha Singhal and Associates, Chartered Accountants) for the proposed Scheme of Amalgamation is **Fair and Reasonable**.



**LADHA SINGHAL & ASSOCIATES**  
CHARTERED ACCOUNTANTS

STRICTLY PRIVATE & CONFIDENTIAL

November 9, 2015

To,

**The Board of Directors**  
**Agarwal Petrochem Private Limited**  
37, New Chemical Zone,  
MIDC - Taloja, Taloja,  
Maharashtra – 410208

**The Board of Directors**  
**Agarwal Industrial Corporation Limited**  
Eastern Court, Unit No. 201-202,  
Plot No. 12, V. N. Purav Marg, S.T. Road,  
Chembur, Mumbai – 400071

**Re: Recommendation of fair share exchange ratio for the purpose of proposed amalgamation of Agarwal Petrochem Private Limited into Agarwal Industrial Corporation Limited**

Dear Sir,

As requested by the management of Agarwal Industrial Corporation Limited (hereinafter referred to as "AICL") and Agarwal Petrochem Private Limited (hereinafter referred to as "APPL"), we have undertaken the valuation exercise of the equity shares of AICL and APPL to recommend fair share exchange ratio for the proposed amalgamation of APPL into AICL (hereinafter collectively referred to as "the Companies").

**1. PURPOSE OF VALUATION**

- 1.1 We have been informed that the Management of AICL and APPL (hereinafter collectively referred to as "the Management") are considering a proposal for the amalgamation of APPL into AICL (hereinafter referred to as "amalgamation") pursuant to the provisions of Sections 391 to 394 read with other applicable provisions of the Companies Act, 1956 and Companies Act, 2013. Subject to necessary approvals, APPL would be merged into AICL, with effect from the Appointed Date of [•]. In consideration for the amalgamation, equity shares of AICL would be issued to the shareholders of APPL.
- 1.2 In this connection, **Ladha Singhal and Associates**, Chartered Accountants has been appointed to carry out the relative valuation of equity shares of AICL and APPL to recommend the share exchange ratio.



1.3 The report sets out our recommendation of the swap ratio on a going concern basis and discusses the methodologies and approach considered in the computation of swap ratio.

## **2 BRIEF BACKGROUND OF AICL**

2.1 AICL is in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products and LPG & Wind Power Generation.

2.2 The shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited.

## **3 BRIEF BACKGROUND OF APPL**

3.1 APPL is engaged in the business of trading and manufacturing of Bitumen and Bituminous products, transportation and logistics of Bitumen & Bituminous products & Wind Power Generation.

3.2 The shares of the Company are not listed on any Exchange.

## **4 EXCLUSIONS AND LIMITATIONS**

4.1 Our report is subject to the scope limitations detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

4.2 No investigation of the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

4.3 Our work does not constitute certification of the historical financial statements including the working results of the Companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report. Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report is



as per agreed terms of our engagement. It may not be valid or used for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.

- 4.4 A valuation of this nature involves consideration of various factors including those impacted by prevailing stock market trends in general and industry trends in particular. This report is issued on the understanding that the Companies have drawn our attention to all material information, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair value of shares of the Companies for the purpose of the proposed amalgamation, including any significant changes that have taken place or are likely to take place in the financial position of the Companies, subsequent to the report date. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- 4.5 During the course of work, we have relied upon assumptions and projections made by management of the Companies. These assumptions require the exercise of judgment and are subject to uncertainties. There can be no assurance that the assumptions are accurate. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as our being associated with or a party to such projections. Since the estimates / projections relate to the future, actual results may be different from estimated / projected results because events and circumstances do not occur as expected, and differences may be material.
- 4.6 In the course of the valuation, we were provided with both written and verbal information. We have evaluated the information provided to us by the Companies through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. We assume no responsibility for any errors in the above information furnished by the Companies and consequential impact on the present exercise.
- 4.7 Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed amalgamation.



- 4.8 This report is prepared only in connection with the proposed amalgamation exclusively for the use of the Companies and for submission to any regulatory / statutory authority as may be required under any law.
- 4.9 Ladha Singhal and Associates., nor its partners, managers, employees or agents of any of them, makes any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.
- 4.10 The information contained herein and our report is confidential. Any person / party intending to provide finance / invest in the shares / businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed amalgamation as aforesaid, can be done only with our prior permission in writing.

## 5 SOURCES OF INFORMATION

For the purpose of the valuation exercise, we have relied upon the following sources of information provided by the management.

- (a) Audited financial statements of AICL and APPL for the 3 years ended March 31, 2015.
- (b) Draft Scheme of Amalgamation u/s 391 to 394 read with other applicable provisions of the Companies Act, 1956 and Companies Act, 2013.
- (c) Other relevant details regarding the Companies such as their history, past and present activities, future plans and prospects, existing shareholding pattern, market quotations, income-tax position and other relevant information and data, including information in the public domain.
- (d) Such other information and explanations as we required and which have been provided by the management of the Companies including management representations.



## **6 VALUATION APPROACH**

6.1 For the purpose of valuation for amalgamation, generally the following approaches are adopted:

- (a) the "Underlying Asset" approach;
- (b) the "Income" approach; and
- (c) the "Market Price" approach.

### **6.2 UNDERLYING ASSET APPROACH**

6.2.1 In case of the "Underlying Asset" approach, the value is determined by dividing the net assets of the company by the number of shares. The Underlying Asset approach represents the value with reference to the historical cost of the assets owned by the Company and attached liabilities as at the valuation date. Such value usually represents the support value of a going concern.

6.2.2 Since the shares are valued on a "going concern" basis and an actual realization of the operating assets is not contemplated, we have considered it appropriate not to determine the realizable or replacement value of the assets. The operating assets have therefore been considered at their book values.

6.2.3 We have computed the net asset value of the equity shares by adjusting, wherever necessary, the value of the net assets attributable to equity holders as appearing in the books of accounts as at March 31, 2015 for, inter alia, the contingent liabilities, diminution in value of investments and conversion of loan into equity.

6.2.4 The value as arrived above is divided by the adjusted number of outstanding equity shares after giving effect to the proposed capital reduction scheme and conversion of loan into equity to arrive at the value per share.

### **6.3 INCOME APPROACH**

6.3.1 Under the "Income" approach, shares of AICL and APPL have been valued using Price-Earnings Multiple (P/E) method.

6.3.2 This method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations,



taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances. The Price-Earnings (P/E) multiples of comparable listed companies are used.

- 6.3.3 The multiple as arrived above is multiplied by the Profit after Tax (PAT) to arrive at the enterprise value.
- 6.3.4 To the value so arrived, adjustments are made for contingent liabilities, outstanding loans, surplus loans and advances, surplus cash and capital expenditure to be incurred.
- 6.3.5 The value as arrived above is divided by the adjusted number of outstanding equity shares to arrive at the value per share.

#### 6.4 MARKET PRICE APPROACH

- 6.4.1 The market price of an equity share as quoted on a stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.
- 6.4.2 Since the shares of AICL are frequently traded on recognized stock exchange, we have considered Six months Volume Weighted Average Market Price to arrive at the value per share for AICL.
- 6.4.3 However, since APPL is unlisted, we have not considered this approach for arriving fair value per share for APPL.

#### 7 RECOMMENDATION OF FAIR EXCHANGE RATIO

- 7.1 The fair basis of amalgamation of the Companies would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above approaches, for the purposes of recommending a ratio of exchange it is necessary to arrive at a single value for the shares of each company. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative value of shares of the Companies to facilitate the



determination of a ratio of exchange. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.

Considering the fact that, after the amalgamation, the business of the Companies is intended to be continued on a "going concern" basis and that there is no intention to dispose-off the assets, to arrive at relative value of AICL and APPL, we have considered it appropriate to give a higher weightage to the value determined under the "income approach" and "market price approach" as compared to the weightage to the value determined under the "underlying asset approach". The weightage given to different approach for AICL and APPL are as under:

Methods	AICL	APPL
Underlying Asset Approach	2	2
Income Approach	3	NA
Market Price Approach	3	6

7.2 The share exchange ratio has been arrived on the basis of a relative valuation of the shares of the Companies based on the various methodologies explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the companies, having regard to information base, management representations and perceptions, key underlying assumptions and limitations.

7.3 In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

*"If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective*



*yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible."*

7.4 In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this report, in our opinion, a fair ratio of exchange in the event of amalgamation of APPL into AICL would be as under:

**5 (Five) equity shares of AICL of Rs 10 each fully paid up for every 2 (Two) equity shares of APPL of Rs. 10 each fully paid up.**

Thank you,  
Yours faithfully,

**For Ladha Singhal and Associates**  
**Chartered Accountants**  
Firm Registration No. 120241W

*Ajay Singhal*

(Ajay Singhal)

Partner

M. No. 104451

Place: Mumbai



DCS/AMAL/AC/24(f)/326/2015-16  
March 11, 2016

The Company Secretary  
AGARWAL INDUSTRIAL CORPORATION LTD  
Eastern Court, Unit No 201-202, Plot No 12,  
V N Purav Marg, S T Road, Chembur,  
Mumbai, Maharashtra, 400071.



**Sub: Observation letter regarding the Draft Scheme of Arrangement involving amalgamation of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited (AICL).**

We are in receipt of Draft Scheme of Arrangement involving amalgamation of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited (AICL).

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide its letter dated March 10, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- *"With respect to the observation that the promoter shareholding in AICL will increase from 53.34% pre- scheme to 70.29% post scheme, the company may be advised to ensure voting by public shareholders in terms of relevant SEBI Circulars"*
- *"Company shall duly comply with various provisions of the Circulars."*

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

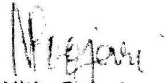
Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- e. Status of compliance with the Observation Letter/s of the stock exchanges;
- f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- g. Complaints Report as per Annexure II of this Circular.
- h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



**Nitin Pujari**  
**Manager**



**NATIONAL STOCK EXCHANGE  
OF INDIA LIMITED**

**NIFTY50**  
Stock of the nation

Ref: NSE/LIST/65080

March 11, 2016

The Company Secretary & CFO  
Agarwal Industrial Corporation Limited  
201/202 Eastern Court  
Sion Trombay Road  
Chembur  
Mumbai - 400071

**Kind Attn.: Mr. Rakesh Bhalla**

Dear Sir,

**Sub: Observation letter for draft Scheme of Amalgamation of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited and Their Respective shareholders and Creditors.**

This has reference to draft Scheme of Amalgamation of Agarwal Petrochem Private Limited with Agarwal Industrial Corporation Limited and Their Respective shareholders and Creditors submitted to NSE vide your letter dated December 07, 2015.

Based on our letter reference no Ref: NSE/LIST/57357 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated March 10, 2016, has given following comments on the draft Scheme of Arrangement:

- "1. With respect to the observation that the promoter shareholding in AICL will increase from 53.34% pre-scheme to 70.29% post scheme, the company may be advised to ensure voting by public shareholders in terms of aforementioned SEBI circular.*
- 2. The Company shall duly comply with various provisions of the Circular."*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our "No-objection" in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the Hon'ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from March 11, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

1.



- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,  
For National Stock Exchange of India Limited

  
Divya Poojari  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL  
[http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)

# Complaint Report



## AGARWAL INDUSTRIAL CORPORATION LTD.

- Petrochemicals [ Manufacturers of Bitumen and Bituminous Products ]
- Logistics for Bitumen & LPG • Wind Mills.

**Registered Office :** "Eastern Court", Unit No. 201 / 202, Plot No. 12, V. N. Purav Marg, S. T. Road, Chembur, Mumbai - 400 071.

Tel.: +91-22- 25291149 / 50 • Fax : +91-22- 25291147

E-mail : agarwalgroup101@gmail.com, r.bhalla@aicld.in, sales@agarwalgroup.com

Website : www.aicld.in

CIN NO.: L99999MH1995PLC084618

### ANNEXURE III

### COMPLAINTS REPORT

(As per Clause 6 (b) of Annexure I of SEBI Circular No. CIR/CFD/CMD/16/2015 Dated November 30 2015)  
(Period : December 18, 2015 to January 08, 2016)


#### PART A

Sr.No.	Particulars	Number
1	Number of Complaints received directly	NIL
2	Number of Complaints forwarded by Stock Exchanges	NIL
3	Total Number of complaints/comments received (1+2)	NIL
4	Number of complaints received	NA
5	Number of complaints pending	NA

#### PART B

Sr.No.	Name of Complainant	Date of Complaint	Status (Resolved/pending)
1	NA	NA	NA
2	NA	NA	NA
3	NA	NA	NA

For Agarwal Industrial Corporation Limited

  
(RAKESH BHALLA)

Vice President-Legal & Company Secretary

Place : Mumbai

Date : January 09, 2016

**Belgaum Office :** Plot No. 40, KIADB Industrial Area, Honaga, Belgaum - 591113 • Telefax : 0831 - 2414670

**Hyderabad Office :** Survey No. 196 / P, Elikatta, Farooq Mandal, Mahbub Nagar, Pargi Road, Hyderabad - 509410 • Mob.: 08008307700 / 33

**Baroda Office :** Plot No.1314, GIDC, Ranoli Industrial Area, Dist : BARODA-391350. Tel.: 0265-2240664/2308706 • Fax : 0265-2240264 • E-mail : kkg@agarwalgroup.com

**Jodhpur Office :** G-1/80, New Jodhpur Industrial Area, Opp. IOCL Depot, JODHPUR-342003. • Tel.: 2744244 • Fax : 0291-2742859 • E-mail : jpo@agarwalgroup.com

# AGARWAL INDUSTRIAL CORPORATION LIMITED

CIN : L99999MH1995PLC084618

Registered Office: Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur,  
Mumbai, Maharashtra - 400071 India.

Tel. No.+91-22-2529 1149 / 50; Fax : +91-22-2529 1147

Email: r.bhalla@aicltd.in, Website : www.aicltd.in

## BALLOT FORM

1. Name(s) & Registered Address :  
of the sole/first named Member
2. Name(s) of the Joint holder(s), if any :
3. Registered Folio Number/  
DP ID No./Client ID No. \* :  
(\*Applicable to investors holding  
Shares in dematerialized form)
4. Number of Ordinary Share(s) held :
5. EVEN (e Voting Event Number) :
6. User-ID :
7. Password :
8. I/We hereby exercise my/our vote(s) in respect of the Resolution set out in the Notice of the Court Convened Meeting (CCM) of the Company to be held on June 13, 2016 by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Description of Resolution	No. of Ordinary shares for which votes cast	(FOR)	(AGAINST)
			I/We assent to the resolutions	I/We dissent to the resolutions
1.	Resolution pursuant to provisions of Sections 391 to 394 and applicable provisions of the Companies Act, 1956 and the Companies, Act 2013 read with relevant Rules and Regulation 44 of SEBI LODR Regulations (erstwhile Clause 35B of the Listing Agreement) and SEBI Circulars and under relevant provisions of applicable law for approval of the Scheme of Amalgamation of Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited and their respective shareholders.			

Place :

Date :

-----  
(Signature of the Member)

**Notes :** Please read the instructions carefully before exercising your vote.

- 1) This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
- 2) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
- 3) For detailed instructions on e-voting, please refer to the notes appended to the Notice of the Court Convened Meeting.
- 4) The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolution forming part of the Notice of the Court Convened Meeting.

### **Process and manner for Members opting to vote by using the Ballot Form**

- 1) Please complete and sign the Ballot Form (no other form or photocopy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the company, Mr. P. M. Vala, Practicing Company Secretaries, (Membership No.5193, Certificate of Practice No. 4237) having office at Shop No. 1, Laxmi Sadan CHS., Opp. New Rose Villa, Daji Ramchandra Road, Charai, Thane (West) - 400 601, in the enclosed postage pre-paid self-addressed envelope. Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted.
- 2) The Form should be signed by the Member as per the specimen signature registered with the Company/ Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballot is not permitted through proxy.
- 3) In case the shares are held by the Companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution / Authorization.
- 4) Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided in the Ballot.
- 5) The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the Company as on June 6, 2016 and as per the Register of Members of the Company.
- 6) Duly completed Ballot Form should reach the Scrutinizer not later than June 12, 2016 (5.00 p.m. IST). Ballot Form received after June 12, 2016 will be strictly treated as if the reply from the Members has not been received.
- 7) A Member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date and time specified in serial no. 6 above.
- 8) Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
- 9) The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
- 10) The results declared along with Scrutinizer's Report, shall be placed on the Company's website [www.aicltd.in](http://www.aicltd.in) and on the website of the **Central Depository Services Limited** within two days of the passing of the Resolutions at the CCM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SUMMONS FOR DIRECTION NO 360 OF 2016**

In the matter of Companies Act, 1956 (1 of 1956)

And

In the matter of Section 391 & 394 of the Companies Act, 1956; (to the extent applicable provisions of the Companies Act, 2013) as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modifications(s) or re-enactment(s) thereof;

And

In the matter of Scheme of Amalgamation between Agarwal Petrochem Private Limited and Agarwal Industrial Corporation Limited and their respective shareholders and creditors;

**Agarwal Industrial Corporation Limited**

A company incorporated under the provisions of the Companies Act, 1956 having its registered office at Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra - 400071 India.

}  
}  
}  
}  
}  
}  
}.... Applicant Company

**PROXY FORM**

Name of the member (s): \_\_\_\_\_

Registered Address: \_\_\_\_\_  
\_\_\_\_\_

Email ID: \_\_\_\_\_

Folio no./ Client ID: \_\_\_\_\_ DP ID: \_\_\_\_\_

No. of shares held: \_\_\_\_\_

I/we, being the member (s) of \_\_\_\_\_ shares of Agarwal Industrial Corporation Limited, hereby appoint

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him

as my / our proxy, to act for me/us at the Court Convened Meeting of the Equity Shareholders to be held on Monday, June 13, 2016 at 11.00 a.m. at Unit No : 12, "A" Wing, 1st Floor, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai- 400074, for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation between Agarwal Petrochem Private Limited, the Transferor Company and Agarwal Industrial Corporation Limited, the 'Transferee Company' or 'the Company' and their respective shareholders pursuant to Sections 391 to 394 of the Companies Act, 1956 and applicable provisions of the Companies Act, 2013 (**"the Scheme"**) at such meeting

and any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s) .....  
(here, if for insert "FOR", or if against insert "AGAINST" and in the latter case, strike out the words 'EITHER WITH OR WITHOUT MODIFICATIONS' after the word resolution) the said amalgamation embodied in the Scheme and the resolution, either with or without modification(s)\* as my proxy may approve.

\*strike out whatever is not applicable

Signed this ..... day of .....2016



Signature of shareholder(s)

Sole/first holder \_\_\_\_\_

Second holder \_\_\_\_\_

Third holder \_\_\_\_\_

Signature of Proxy \_\_\_\_\_

Notes :

1. This Form in order to be effective should be completed and deposited at the Registered Office of the Company at Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur, Mumbai, Maharashtra - 400071 India, not less than 48 (forty eight) hours before the time of holding the aforesaid meeting.
2. If you are a body corporate, as the shareholder, a copy of the Resolution of the Board of Directors or the governing body authorizing such person to act as its representative/proxy at the meeting and certified to be a true copy by a Director, the manager, the secretary or any other authorised officer of such body corporate be lodged with the Applicant Company at its registered office not later than 48 (forty eight) hours before the meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall act as a proxy for any other person or Member.
4. All alterations made in the Form of Proxy should be initialed.
5. In case of multiple proxies, the proxy later in time shall be accepted.

# AGARWAL INDUSTRIAL CORPORATION LIMITED

CIN : L99999MH1995PLC084618

Registered Office: Eastern Court, Unit No. 201- 202, Plot No. 12, V. N. Purav Marg, S.T. Road, Chembur,  
Mumbai, Maharashtra - 400071 India.

Tel. No.+91-22-2529 1149 / 50; Fax : +91-22-2529 1147

Email: r.bhalla@aicltd.in, Website : www.aicltd.in

## ATTENDANCE SLIP

Name of the member (s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

\_\_\_\_\_

Email ID: \_\_\_\_\_

Folio no./ Client ID: \_\_\_\_\_ DP ID: \_\_\_\_\_

No. of shares held: \_\_\_\_\_

I /We hereby record my presence at the at the Court convened meeting, of the Equity Shareholders of the Company at Unit No : 12, " A" Wing, 1st Floor, Sita Estate, Aziz Baug, Mahul Road, Chembur, Mumbai- 400074, on Monday June 13, 2016 at 11.00 a.m. pursuant to the Order of Hon'ble High Court of Bombay dated May 4, 2016.

SIGNATURE OF THE ATTENDING MEMBER/PROXY

\_\_\_\_\_

NOTES :

- (1) Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.
- (2) Shareholder/Proxy holder desiring to attend the meeting should bring his/her copy of the Notice for reference at the meeting.

