



# VIKAS ECOTECH LTD.

Ph.: +91-1143144444 • Email : info@vikasecotech.com • Website : www.vikasecotech.com • CIN -L65999DL1984PLC019465

Date: 10.11.2018

To,

Manager, Listing Compliance Deptt.

National Stock Exchange of India Limited

**Vikas Ecotech Limited (VIKASECO)**

**Sub:** Intimation of Record Date (Scheme of Arrangement for Demerger)

**Ref:** Scheme of Arrangement for Demerger of High Volume 'Recycled Compounds and Trading Division' (Demerged Undertaking) of Vikas Ecotech Limited (VEL / Demerged Company) into Vikas Multicorp Limited (VML / Resulting Company) and their Respective Shareholders and Creditors under the provisions of Section 230- 232 of the Companies Act, 2013 ("**Approved Scheme**").

Dear Sirs,

This is to inform you that the record date for the purpose of Demerger has fixed **Wednesday, November 21, 2018** (close of business hours). Synopsis on Demerger is attached herewith as Annexure I.

Thanking You,

Yours Truly,

**For Vikas Ecotech Limited**

Authorized Signatory

Encl: A/a

**Regd. Office :** Vikas House, 34/1, East Punjabi Bagh, New Delhi- 110026 (INDIA)

**Plant 1 :** Industrial Growth Centre, Phase-I, SIDCO Complex, Distt. Samba-187 121 (J&K)

**Plant 2 :** G-24-30, Vigyan Nagar, RIICO Indl. Area, Shahjahanpur, Distt. Alwar-301 706 (Raj)

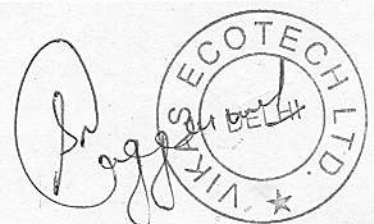
**Annexure -1**

**BREIF NOTE ON SCHEME OF ARRANGMENT FOR DEMERGER**

<b>Particulars</b>	<b>Resulting Company</b>	<b>Demerged Company</b>
Name of the company	VIKAS MULTICORP LIMITED	VIKAS ECOTECH LIMITED
Date of Incorporation & details of name changes, if any	Incorporated on November 09, 1995 with the name and style of Akshatha Management Consultant Private Limited. On May 29, 2001, the name of the Company was changed to Akshatha Services Private Limited and then on December 29, 2008, name of the Company was changed to Moonlite Technochem Private Limited. Further, on November 01, 2016, the Company converted into public limited company and the name was changed to Moonlite Technochem Limited. Thereafter on January 24, 2017, the name of the company was changed to Vikas Multicorp Limited.	Incorporated on November 30, 1984 with the name and style of Vikas Leasing Limited. On January 07, 2002 the name of the company was changed to Vikas Profin Limited. Then on December 31, 2008 the name of the Company was changed to Vikas Global one Limited. Later, on October 21, 2015, the name of the Company was changed to Vikas Ecotech Limited.
Registered Office	G-1, 34/1, East Punjabi Bagh, New Delhi – 110026	34/1 Vikas Apartments, East Punjabi Bagh, New Delhi – 110026
Name of Exchanges where securities of the company are listed	The securities of the Company are Unlisted	The securities of the Company are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE')
Nature of Business	The Company is engaged in the business of trading of various Chemicals Compounds, Polymers, PVC Resins, Plastic granules, items related to Plastic industry etc.	The Company is engaged in the business of high value group – specialty chemicals and high volume group – recycled compounds & trading division.

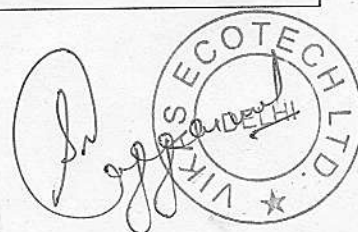


<p>Brief particulars of the scheme</p>	<p>An overview of Scheme of Arrangement</p> <ul style="list-style-type: none"> <li>▪ This Scheme of Arrangement is presented under the provisions of Section 230-232 of the Companies Act, 2013 (as defined hereinafter) and other relevant provisions of the Companies Act, 2013 as may be applicable and applicable Rules of Companies (Compromises, Arrangements Amalgamations) Rules, 2016 (as defined hereinafter) for Demerger of high volume and traded goods business hereinafter referred to as the 'Recycled Compounds and Trading Division' (Demerged Undertaking) along with their connected Membership, License, Registration, assets and liabilities, shall be hived off from of Vikas Ecotech Limited (Demerged Company) and transferred and vested with/ into Vikas Multicorp Limited (Resulting Company) on going concern basis.</li> <li>▪ In consideration Vikas Multicorp Limited (Resulting Company) to issue its equity shares to the shareholders of Vikas Ecotech Limited (Demerged Company) on the basis of entitlement ratio, as defined in Part C of this Scheme and listing of these equity shares at the stock exchanges on which shares of Demerged Company is listed in accordance with the applicable regulation of Securities and Exchange Board of India (SEBI).</li> <li>▪ The Vikas Ecotech Limited (Demerged Company) will retain the High Value Specialty chemical manufacturing business, R&amp;D resources (Remaining Business) and other residuary business in the company.</li> <li>▪ In addition, this Scheme of Arrangement also provides for various others matter consequential or otherwise integrally connected herewith.</li> </ul>
<p>Rationale for the scheme</p>	<p>Rationale of the scheme is mentioned below:</p> <ul style="list-style-type: none"> <li>▪ Vikas Ecotech Limited ('VEL' or 'Demerged Company') has two core business verticals viz. High Value Specialty chemicals business (Remaining Business) and another is the High volume 'Recycled Compounds and Trading Division' (Demerged Undertaking). Both the verticals have their own strengths and dynamics but the nature of businesses of the two verticals are unconnected and distinct. It is being felt that each of the business vertical has the potential of being developed into a parallel, scaleable and independently profitable</li> </ul>



business but, requires focused management and long term business plan. Thus, the management was contemplating the segregation of the two verticals.

- Vikas Multicorp Limited ('VML' or 'Resulting Company') is a group company and a part of the promoter group of Vikas Ecotech Limited (VEL or Demerged Company). The business of Resulting Company is similar to the business of the Demerged Undertaking. Hence in order to unlock the true value of each of the business verticals and achieve prosperity in segment the management of the both the companies have decided to Demerge the 'Recycled and Trading Compounds Division' from VEL and amalgamate with VML. This would enable the VML and VEL both to gain economies of scale and unify all shareholder interests and eliminate any conflict of interests. Both the businesses would have separate and different sets of management, staff and facilities – each of which would be designed in alignment with its own business needs.
- The dynamic and diversified nature of the industry in which the Company operates and external factors including performance of financial markets, exchange or interest rate fluctuations, business environment and government policies etc. have varied effects on the growth prospects of different verticals of the Company. Thus, the Demerged Company would be able to revise its business plans and priorities from time to time thereby, ensuring speedy and profitable growth of the Company and enhance shareholder's wealth.
- Further, economic environments, capital market dynamics, the investors' community for the two divisions i.e. the high value 'Specialty chemicals' and high volume 'Recycled Compounds and Trading Division' are different. Thus, to ensure better focus of management for the growth of both the divisions, to create independent legal entities for each division, to enable each of the businesses to achieve One thousand crores top line in their own sphere of operations the Board of Directors of both Companies are of the opinion that Scheme of Arrangement/ Demerger of 'Recycled Compounds and Trading Division' from Demerged Company and consequently amalgamating the same with Vikas Multicorp Limited (Resulting Company) would be beneficial to



	<p>the shareholders, creditors, employees and all the stakeholders at large.</p> <ul style="list-style-type: none"> <li>▪ The proposed reconstruction will add better value to the businesses and create fresh opportunities as under: <ul style="list-style-type: none"> <li>➤ Resulting Company will be able to focus on high volume 'Recycled Compounds and Trading Division' (Demerged Undertaking);</li> <li>➤ Demerged company will be able to focus on high value Specialty chemicals (Remaining Business) and other residuary business;</li> </ul> </li> <li>▪ Further, the listing of the equity shares of Resulting Company on the stock exchanges on which shares of the Demerged Company are listed would help the shareholders of Demerged Company to unlock the value of their shares.</li> </ul>	
Date of resolution passed by the Board of Director of the company approving the scheme	May 29, 2017	May 29, 2017
Share Capital of the Company	(In Rs. )	(In Rs. m)
Pre Arrangement	Rs. 42,47,61,960/-	Rs. 27,98,99,675/-
Post Arrangement	Rs. 66,34,95,495/-	Rs. 27,98,99,675/-
Net Worth	(In Rs. )	(In Rs. m)
Pre Arrangement	Rs. 5,33,919,598/-	Rs. 1,313,437,939/-
Post Arrangement	Rs. 8,29,609,820/-	Rs. 1,017,747,717/-
Exchange ratio	The Resulting Company will issue 1 (One) Equity Share of Re. 1/- (Rupee One) each at par in Resulting Company for every 1 (One) Equity Shares of Re. 1/- (Rupees One) each held by the shareholders of Demerged Company	

For Vikas Ecotech Limited

Authorized Signatory