

AMOL MINECHEM LIMITED
(FORMERLY KNOWN AS AMOL DICALITE LIMITED)
(CIN: L14100GJ1979PLC003439)

Registered office: 401, "Akshay", 53, Shrimali Society, Navrangpura
Ahmedabad – 380 009 in the state of Gujarat

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**NOTICE OF MEETING OF THE SECURED CREDITORS OF
AMOL MINECHEM LIMITED**

(Convened pursuant to order dated 2nd December 2020 passed by
the Hon'ble National Company Law Tribunal, Ahmedabad Bench)

Meeting of the Secured Creditors of Amol Minechem Limited.	
Day	Wednesday
Date	27th January 2021
Time	3.30 p.m.
Venue	401, "Akshay", 53, Shrimali Society, Navrangpura Ahmedabad – 380 009 in the state of Gujarat

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH

C A (CAA) NO. 71 OF 2020

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013;

AND

In the matter of Scheme of Amalgamation of Perlcon Premix Private Limited with Amol Minechem Limited.

Amol Minechem Limited.

(CIN- L14100GJ1979PLC003439)

A company incorporated under the Companies Act, 1956

and having its registered office at 401, "Akshay", 53,

Shrimali Society, Navrangpura Ahmedabad – 380 009

in the state of Gujarat.....**Applicant Transferee Company**

**NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF
AMOL MINECHEM LIMITED**

To,

The Secured Creditors of Amol Minechem Limited,

(“the Applicant Transferee Company”)

NOTICE is hereby given that by an Order dated 2nd December 2020, the Ahmedabad Bench of the National Company Law Tribunal (‘NCLT’) has directed that a meeting of secured creditors of the Applicant Company be convened and held on Wednesday, 27th day of January 2021 at 3.30 p.m. at the Registered Office of the Applicant Company at 401, "Akshay", 53, Shrimali Society, Navrangpura Ahmedabad – 380 009 in the state of Gujarat, for the purpose of considering, and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation of Perlcon Premix Private Limited (‘Transferor Company’) with Amol Minechem Limited (‘Transferee Company’) and their respective shareholders and creditors (‘Scheme’).

In pursuance of the said order and as directed therein, further notice is hereby given that a meeting of Secured Creditors of the Applicant Company will be held on Wednesday, 27th day of January 2021 at 3.30 p.m. at the Registered Office of the Applicant Company at 401, "Akshay", 53, Shrimali Society, Navrangpura Ahmedabad – 380 009 in the state of Gujarat, at which time and place the Secured Creditors of the Applicant Transferee Company are requested to attend.

Copies of the Scheme of Arrangement and the Explanatory Statement under section 230 of the Companies Act, 2013 can be obtained free of charge at the registered office of the Applicant Transferee Company and/or at the office of the Advocate Mrs. Swati Soparkar at 301, Shivalik 10, Opp. SBI Zonal Office, , S. M. Road, Ambavadi, Ahmedabad 380 015, Gujarat.

Persons entitled to attend and vote at the Meeting may vote through authorized representative or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the Applicant Transferee Company at Ahmedabad not later than 48 hours before the scheduled time of the commencement of the Meeting of the Secured Creditors of the Applicant Transferee Company. Forms of proxy can also be obtained from the registered office of the Applicant Transferee Company.

NCLT has appointed Mr. Munir Shah, Independent Practicing Chartered Accountant, and failing him, Mr. Shailesh Parikh, Independent Practicing Chartered Accountant to act as Chairman of the said meeting to be held on 27th January 2021 and in respect of any adjournment or adjournments thereof.

Voting rights of the Secured Creditors shall be in proportion to the value of their debt in the Applicant Company as on the date of the meeting. The Scheme, if approved at the aforesaid meeting, will be subject to the subsequent approval of NCLT.

Dated this 15th December, 2020
Place : Ahmedabad

sd/-
Munir Shah
Chairman appointed for the Meeting

Registered Office:

401, "Akshay", 53, Shrimali Society, Navrangpura
Ahmedabad – 380 009 in the state of Gujarat.

Notes:

- 1) Only Secured creditors of the Applicant Transferee Company may attend (either by proxy or by authorised representative) at the Meeting. The authorised representative may attend the Meeting provided that some authorization authorizing such representative to attend and vote at the Meeting is deposited at the Registered Office of the Applicant Transferee Company before the scheduled time of the commencement of the Meeting of the Secured Creditors of the Applicant Transferee Company.
- 2) A Secured Creditor 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 secured creditor of the Applicant Transferee Company. The Form of Proxy duly completed should, however, be deposited at the Registered Office of the Applicant Transferee Company not later than 48 hours before the scheduled time of the commencement of the Meeting of the secured creditors of the

Applicant Transferee Company. All alterations made in the Form of the Proxy should be initialed.

- 3) The secured creditors of the Applicant Company whose names appear in the records of the Applicant Company as on 30th November, 2020 shall be eligible to attend and vote at the meeting of the secured creditors of the Applicant Company either personally (in case of individuals) or through authorized representative or by proxies.
- 4) The Notice convening the meeting will be published through advertisement in 'Indian Express' Ahmedabad Edition in the English language and translation thereof in 'Sandesh' Ahmedabad Edition in the Gujarati language.
- 5) A Creditor or his/her Proxy is requested to bring the copy of the notice to the meeting and produce the attendance slip, duly completed and signed, at the entrance of the meeting venue.
- 6) The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the secured creditors at the registered office of the Applicant Company between 10:30 a.m. and 12:30 p.m. on all days (except Saturdays, Sundays and public holidays) up to 1 (one) day prior to the date of the meeting.
- 7) The quorum of the Meeting of the secured creditors of the Applicant Transferee Company shall be 1 (One) secured creditor of the Applicant Transferee Company, present through Authorised Representative.
- 8) Mr. Sharvil Suthar, Partner of Suthar & Surti, Independent practicing Company Secretary, having Certificate of Practice No. 20228, have been appointed as the scrutinizer for voting at the venue of the meeting in a fair and transparent manner.

EXPLANATORY STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 READ WITH SECTION 102 OF THE COMPANIES ACT, 2013 FOR THE MEETINGS OF EQUITY SHAREHOLDERS, SECURED CREDITORS AND UNSECURED CREDITORS OF AMOL MINECHEM LIMITED AND EQUITY SHAREHOLDERS AND UNSECURED CREDITORS OF PERLCON PREMIX PRIVATE LIMITED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL.

1. Pursuant to an Order dated 2nd December 2020_ passed by the National Company Law Tribunal, Ahmedabad Bench ('Tribunal') in C.A. (CAA) No. 71 of 2020, separate meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of Amol Minechem Limited, the Applicant Transferee Company as well as that of the Equity Shareholders and Unsecured Creditors of Perlcon Premix Private Limited, the Applicant Transferor Company are being convened for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation of Perlcon Premix Private Limited with Amol Minechem Limited and their respective shareholders and creditors ('Scheme' or 'the Scheme').

The aforesaid meetings shall be convened and held on 27th January 2021. Facility of Remote E-voting as well as voting by ballot papers at the venue of the meeting is provided for the Equity Shareholders of Amol Minechem Limited. Whereas for all other meetings, voting shall be carried out through ballot papers at the time of the respective meeting and respective venues.

2. Copy of the Scheme of Amalgamation which is approved unanimously by the Board of Directors of the respective companies is enclosed herewith held on 20th March, 2020 is enclosed herewith as **Annexure I**. Valuation report by Mr. Krunal Sheth, Registered Valuer, is annexed herewith as **Annexure II**. Further, the report of the Directors explaining effect of Scheme on Shareholders, key managerial personnel, promoters and non-promoter shareholders is enclosed herewith as **Annexure III**.

3. BACKGROUND OF THE COMPANIES INVOLVED IN THE SCHEME IS AS UNDER:

A. Amol Minechem Limited ('AML' or 'the Applicant Company' or 'the Transferee Company' or 'the Company'):

- a) The Transferee Company is a Public Limited Company incorporated on 2nd July, 1979 under the provisions of the Companies Act 1956, with the Registrar of Companies, Gujarat in the name and style of "Amol Dicalite Limited". Subsequently, the Transferee company changed its name from "Amol Dicalite Limited" to "Amol Minchem Limited" vide the

certificate dated 15th July, 2019. The Corporate Identification Number of the Transferee Company is L14100GJ1979PLC003439. The Equity Shares of the Transferee Company were originally listed on Ahmedabad Stock Exchange Limited (ASE), w.e.f July 2, 1981. The Equity Shares of the Company got listed on Calcutta Stock Exchange Limited ("CSE") w.e.f October 28, 2015.

- b) The Transferee Company had received letter dated 11th January, 2017 from the Ahmedabad Stock Exchange intimating that it was undergoing its exit policy and had instructed the Company for not making any compliances related to the Stock Exchange with them. Hence during period from October, 2015 to December, 2016, the Company was submitting listing compliances to ASE and CSE. ASE was derecognized w.e.f. 2nd April, 2018 vide SEBI's EXIT Order No. WTM/MPV/MRD/160/2018 dated 2nd April, 2018. Further, SEBI vide its letter Ref No. SEBI/HO/MRDS/DSA/OW /P/18973/1 dated July 5, 2018 directed that all Exclusively Listed Companies ("ELCs") which got listed on CSE would be transferred to Dissemination Board of nationwide stock exchange(s). CSE vide its letter dated August 10, 2018, informed the Company either to opt for voluntary delisting from CSE as per the SEBI (Delisting of Equity Shares) Regulations, 2009 or may obtain listing on any nation-wide stock exchanges.
- c) As per notice published by CSE with reference No. CSE/LD/14519 dated 13/02/2019, the Transferee company was thereafter shifted to the Dissemination Board of NSE. NSE vide its letter dated April 8, 2019 informed the Company that CSE has transferred the Company to the Dissemination Board of NSE. Further SEBI vide its letter no. SEBI/ HO/ MRD/ DSA/OW/P/7372/1 dated March 20, 2019 has clarified that SEBI Circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016 and all circulars guidelines issued by SEBI from time to time for all ELCs shall be applicable to companies transferred from CSE to Dissemination Board of NSE. The Board of Directors of the Transferee Company at its meeting held on May 31, 2019, after due consideration, formed an opinion that the Company shall provide an exit opportunity to all Public Shareholders by way of buy-back of the Equity Shares by the Company from its existing public shareholders to comply with the SEBI Circular.
- d) Following the requisite procedure, the Board of Directors had sought approval of the shareholders of the Company for Buy-back, by a special resolution, through notice of postal ballot dated May 31, 2019 ("Postal Ballot Notice"), the results of which were announced on July 8, 2019. The shareholders of the Company have approved the Buy-back by special resolution through postal ballot process. This Buy-back was pursuant to

Article 14 of the Articles of Association of the Company, Sections 68, 69, 70 and other applicable provisions, if any, of the Act and Rule 17 of Companies (Share Capital and Debentures) Rules, 2014 and in accordance with the provisions of Section 110 of the Act and Rule 22 of the Management Rules, the results of which were announced on July 8, 2019.

- e) The Buyback offer was to buy back upto 1,80,000 (One Lakh Eighty Thousand) Equity Shares (representing 25% of total number of Equity Shares of the Company) of face value of Rs.10/- (Rupees Ten) each at a price of Rs. 475/- (Rupees Four Hundred Seventy-Five) per Equity Share with the total aggregate amount to be utilized not to exceed Rs. 8,55,00,000/- (Rupees Eight Crores Fifty-Five Lakhs), which is within the limit prescribed under Section 68 (2)(c), that is 25% of the Company's total paid-up share capital and free reserves (including securities premium account) as per latest standalone and consolidated financial statement of the Company for the financial year ended on March 31, 2019. The Company had bought back 42,348 Equity shares from the shareholders who had tendered their shares during 24.07.2019 to 23.08.2019 i.e. Buyback Offer Period. Accordingly, the post buyback, paid up share capital of the Company is Rs. 67, 76,520. (i.e. 6, 77,652 Equity shares of Rs. 10 each.)
- f) After the completion of the aforesaid Buyback by the Transferee Company, the Promoter of the Company, Mr. Shreyas Sheth has made an EXIT OFFER for acquisition of upto 67,636 fully paid Equity Shares from Public Shareholders at a price of Rs. 475/- per share. The EXIT OFFER commenced from 6th September, 2019 and closed on 5th September, 2020. Under the said proposal, the said promoter has acquired 10,866 Equity Shares tendered by Public Shareholders upto 5th September, 2020 i.e. the last day of the EXIT OFFER PERIOD. However, the same shall not have any effect on the existing Share Capital of the Company.
- g) The Permanent Account Number of the Transferee Company is AABCA2807K.
- h) The current Registered Office of the Transferee Company is situated at 401, "Akshay", 53, Shrimali Society, Navrangpura Ahmedabad – 380 009, Gujarat. The e-mail address of the Transferee Company is info@amolminechem.com.
- i) The Transferee Company changed its name from "Amol Dicalite Limited" to "Amol Minchem Limited" vide the certificate dated 15th July, 2019. There are no other changes in name of the company or registered office during past five years.
- j) The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31st March, 2020 was as under:

Authorised Share Capital	Amount in Rs.
20,00,000, Equity shares of Rs. 10/- each	2,00,00,000
Total	2,00,00,000
Issued, Subscribed & Paid Up Share Capital	Amount in Rs.
6,77,652, Equity shares of Rs. 10/- each	67,76,520
Total	67,76,520

Subsequent to the above date and till the date of filing the Scheme, there has been no change in the issued, subscribed and paid up capital of the Transferee Company.

- k) The objects for which the Transferee Company has been established are set out in its Memorandum of Association given as under:

[A]MAIN OBJECTS:

1. To manufacture, synthesize, produce, prepare, extract, process and finish, manipulate, improve, treat, preserve, reduce, render merchantable, import, export, buy, sell, install, estimate, transport, refine, store and generally carry on the business or deal, act as commission agents or traffic in Filter Aids of all types, Filter products and other expanded products from Perlite, Diatomite or other materials.
2. To manufacture, synthesize, produce, prepare, extract, process and finish, manipulate, improve, treat, preserve, reduce, render merchantable, import, export, buy, sell, install, estimate, transport, refine, store and generally carry on the business or deal, act as commission agents or traffic in inorganic and organic heavy chemicals, Fine chemicals, Photographic chemicals, Inorganic Organic and Mixed, Fertilisers, Synthetic resins and Plastics Paints, Varnishes, Enamels, Synthetic rubbers. Man-made fibres including regenerated cellulose-rayon, nylon and the like Coke oven by-products, Coal tar distillation products like naphthalene, anthracene etc. Explosives including Gun Powder and Safety fuses, Insecticides, Fungicides, Weedicides and like. Sizing materials including Starches and its by-products, Textile auxiliaries and other Chemicals including their derivatives, product, by-product and compounds of any nature and kind whatsoever.
3. To carry on the business manufacturers, synthesize, produce, prepare, extract, process and finish, manipulate, improve, treat, preserve, reduce, render merchantable, import, export, buy, sell, install, estimate, transport, store, refine, exploit and generally carry on the business or deal, act as commission agents or traffic in Dye-stuffs, Drugs and

Pharmaceuticals, Alcohol, Enzymes, other products of Fermentation Industries, Milk foods, Malted foods Canned fruits, Fruit products, and foods, Flour, Dextrose, Glucose, Fructose, Sucrose, Sugar, Sorbital, Processed foods of any nature and kind whatsoever, vegetable oil and Vanaspathi, Glue, Gelatin, Glycerine, Cosmetic, Perfumeries, Toilet Preparation, Soap, Cement and Gypsum Products of any nature and kind whatsoever.

4. To carry on business in India or elsewhere as manufacturers, producers, processors, makers, converters, refiners, packers, importers, exporters, traders, buyers, sellers, wholesalers, retailers, suppliers, indenters, movers, preservers, stockist, agents, sub agents, merchants, distributors, consignors, jobbers, brokers, concessionaires, or otherwise deal in either solely or in partnership with others all types of construction chemicals, dry mortar mix of all types and kinds, all kinds of adhesives including tiles adhesives, all types of plasters including light weight plasters, insulating plasters, stucco, floor screeds, decorative ready mix plasters, concretes and such other construction chemicals and adhesives.
5. To manufacture, fabricate manipulate, alter, assemble, improve, prepare for market buy, sell and otherwise deal in all kinds of tanks and vessels including LNG and CNG storage tanks, LNG filling dispensers and associated equipments, Vaporizer and LNG and CNG Retro Fitment Kits on transport vehicles, buses and to operate LNG and CNG filling stations or otherwise, deal in either solely or in partnership with others.
 - 1) The Transferee Company is engaged in production of Perlite based Products. The same are used by various industries such as pharmaceuticals, starch, glucose, edible oil, paint, chemical, ceramics, construction, insulation products and also used in horticulture. The company was originally promoted as a joint venture with a foreign company viz. Grefco Inc. based at USA. However, the said foreign investor divested its holding in favour of the domestic promoter in the financial year 2018-19. As per the Audited Financial Statements of the Transferee Company as on 31st March 2020 the total income of the company was Rs. 37.53 crores and the net profit was Rs. 7.65 crores. The company has Reserves of Rs. 46.06 crores. Copy of Unaudited Financials as on 30th June, 2020 are enclosed herewith as **Annexure 4**.

B. Perlcon Premix Private Limited ('PPPL' or 'the Transferor Company')

- a) The Transferor Company was incorporated on 11th July, 2010 under the provisions of the Companies Act, 1956 under the name and style of 'Perlcon Premix Private Limited. The Corporate Identification Number is U24220GJ2010PTC061519 and Permanent

Account Number is AAFCP5958G.

- b) The current Registered Office of the Transferor Company was situated at 302, "Akshay", 53, Shrimali Society, Navrangpura, Ahmedabad-380 009, Gujarat. The e-mail address of the Transferor Company is info@perlcon.com.
- c) There are no changes in the Name, Registered office and Object of the Transferor Company in the past 5 years.
- d) The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 31st March, 2020 was as under:

Authorised Share Capital	Amount in Rs.
1,00,000 Equity Shares of Rs.100/- Each	1,00,00,000
10,00,000 4% Redeemable Non-Cumulative Preference Share of Rs.100/-each	10,00,00,000
Total	11,00,00,000
Issued, Subscribed & Paid Up Share Capital	Amount in Rs.
1,00,000 Equity Shares of Rs.100/- Each	1,00,00,000
10,00,000 4% Redeemable Non-Cumulative Preference Share of Rs.100/-each	10,00,00,000
Total	11,00,00,000

Subsequent to the above date and till the date of filing the Scheme, there has been no change in the issued, subscribed and paid up capital of the Transferor Company.

- e) The shares of the Transferor Company are not listed on any stock exchange.
- f) The objects for which the Transferor Company has been established are set out in its Memorandum of Association given as follows:

[A]MAIN OBJECTS:

1. To carry on business in India or elsewhere as manufacturers, producers, processors, makers, convertors, refiners, importers, exporters, traders, buyers, sellers, retailers, wholesalers, suppliers, indenters, packers, movers, preservers, stockist, agents, subagents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in either solely or in partnership with others all types of dry mortar mix like light, medium, heavy, all types of plasters like light weight, insulating stucco, rendering, floor screeds, decorative, ready mix plasters and concrete.

- g) The Transferor Company is engaged in manufacturing and trading of all types of dry mortar mix, plasters, ready mix plasters and concrete etc. As per the Audited Financial Statements of the Company as at 31st March 2020, the total income of the company was Rs. 819.76 lacs. The company was a loss making company up to financial year 2018-19 but has turned around in financial year 2019-20 and has earned net profit of Rs. 76.72 lacs for the financial year 2019-20. It has accumulated loss of Rs. 20.59 crores. Copy of Unaudited Financial Statements of the Transferor Company as on 30th June 2020 is annexed herewith as **Annexure 4.**

4. RELATIONSHIP SUBSISTING BETWEEN THE APPLICANT TRANSFEROR COMPANY AND THE TRANSFEREE COMPANY:

The Transferee Company and the Transferor Company belongs to same management. There are common Directors on the Board of the Transferor Company and the Transferee Company. The Transferee Company is engaged in production of Perlite based Products. The Transferor Company is engaged in the business of manufacturing and trading of all types of dry mortar mix, plasters, ready mix plasters and concrete etc.

The Scheme provides for amalgamation of the Transferor Company with the Transferee Company and their respective shareholders and creditors.

5. RATIONALE OF THE SCHEME

The rationale for the proposed Scheme is set out below:

- i. Simplification of group structure by eliminating multiple companies thus enabling focus on core competencies and unlocking of value.
- ii. Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- iii. Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.

- iv. Healthier and larger balance sheet of both entities is expected to improve the credit profile, thereby enhancing the competitive positioning.
- v. The Scheme will help amalgamated entity in sharpening its competitiveness and developing its core competencies, in the long term, through cost savings and benefit of economies of scale. It would result in greater integration, greater financial strength and flexibility of the amalgamated entity which will improve the competitive position of the combined entity.

6. SALIENT FEATURES OF THE SCHEME:

Salient features of the scheme are set out as below:

3. DEFINITIONS

- 3.1 **“Act” or “the Act”** means the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and includes any alterations, modifications, amendments made thereto and/or any re-enactment thereof;
- 3.4 **“Appointed Date”** means 1st April, 2019, or such other date as may be directed by the NCLT and is the date with effect from which the Scheme shall upon sanction by the NCLT, be deemed to be operative;
- 3.6 **“Effective Date”** means the date on which the certified copies of the Order of National Company Law Tribunal, Ahmedabad Bench under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 sanctioning the Scheme are filed with the Registrar of Companies, Gujarat at Ahmedabad.
- 3.7 **“NCLT” or “National Company Law Tribunal”** means the National Company Law Tribunal, Ahmedabad Bench or such other forum or authority as may be vested with any of the power to approve the Scheme under the Act;
- 3.8 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation, with or without any modification approved or imposed or directed by the Tribunal;
- 3.10 **“Undertaking”** means and includes the whole undertaking and entire business of the Transferor Company as a going concern, including, without limitation:
- (a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications and related data, equity shares, preference shares and other securities of associate/ subsidiary/ joint venture companies, plant and machinery, equipment, furniture, fixtures, vehicles, stocks and inventory including, cables, leasehold assets and other properties, real, corporeal and

incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, inverters, electrical fittings, submersible pumps, electrical erections, earthing and lighting systems, cash in hand, amounts lying in the banks, investments, escrow accounts, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold/ leasehold rights, brands, sub-letting tenancy rights, leave and license permissions, goodwill, other intangibles, industrial and other licenses, approvals, permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other industrial and intellectual properties and rights of any nature whatsoever including know-how, websites, portals, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits (including all work-in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other Person including customers, contractors or other counter parties, etc., all earnest monies and/ or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses, privileges 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 Company;

- (b) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/ or security deposits, payment against warrants, if any, or other entitlements of the Transferor Company;*
- (c) all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertaking, memoranda of agreements, memoranda of agreed points, bids, tenders, tariff orders, expression of interest, letter of intent, hire purchase agreements, lease/ licence agreements, tenancy rights, agreements/ panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims and clearances*

- and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;*
- (d) investments in shares, debentures and other securities held by the Transferor Company;*
 - (e) all the debts, liabilities, duties and obligations including contingent liabilities of the Transferor Company; and*
 - (f) all books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs along with their licenses, 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, in connection with or relating to the business of the Transferor Company.*
 - (g) all the employees, who are on the payrolls of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Transferor Company, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company.*

5. TRANSFER AND VESTING OF THE UNDERTAKING

- 5.1 Upon the coming into effect of the Scheme with effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the sanction of the Scheme by the NCLT and pursuant to the provisions of Section 230 – 232 of the Companies Act, 2013, and all other provisions of applicable law, if any as applicable, will be and shall stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company, as a going concern, in accordance with Section 2(1B) of the Income Tax Act, 1961 without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.*
- 5.2 Without prejudice to the generality of Clause 5.1 above, upon the coming into effect of the Scheme and with effect from the Appointed Date:-*
- a) All the estate, assets (including intangible assets), properties, investments of all kinds, rights, claims, title, interest and authorities including accretions and appurtenances, whether or not provided and/or recorded in the books of accounts of the Transferor Company, comprised in the Undertaking of whatsoever nature and*

where-so-ever situate shall, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern so as to become, as and from the Appointed Date, the estate, assets (including intangible assets), properties, investments of all kinds, rights, claims, title, interest and authorities including accretions and appurtenances of the Transferee Company.

- b) Such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery shall, without any cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in the Transferee Company and/or be deemed to stand transferred to the Transferee Company as a part of the transfer of the Undertaking as a going concern so as to become from the Appointed date the assets and properties of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.*
- c) All other movable properties of the Transferor Company, including investments of all kinds, sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, deposits with any Government, quasi government, local or other authority or body or with any company or other person, shall without any further act, instrument or deed, cost or charge, be and shall stand transferred to and vested in the Transferee Company and/or deemed to have been transferred to and vested in the Transferee Company, by way of delivery of possession of the respective documents, as applicable, as a part of the transfer of the Undertaking as a going concern, so as to become from the Appointed Date, the assets and properties of the Transferee Company.*
- d) The Transferee Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor, that pursuant to the sanction of this Scheme by the NCLT, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person*

entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize all such debts (including the debts payable by such debtor or obligor to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Transferor Company and all the rights, title and interest of the Transferor Company in any licensed properties or leasehold properties shall, pursuant to the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.

- e) *All immovable properties, if any of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof. It is however clarified that the applicable stamp duty for such transfer on amalgamation under the order of the Hon'ble Tribunal shall be duly paid.*
- f) *All lease license or rent agreements entered into by the Transferor Company with various landlords, owners and lessors in connection with the use of the assets of the Transferor Company, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent or lease or license fee as provided for in such agreements, and the Transferee Company and the relevant landlords, owners and lessors shall continue to comply with the terms,*

conditions and covenants there-under. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company.

- g) All permissions, approvals, consents, subsidies, incentives, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, if any, shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements, of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions. It is further clarified that they shall be deemed to have originally been given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof and the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company.*
- h) All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, its rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. In relation to the same, any procedural requirements required to be fulfilled solely*

by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of that Transferor Company.

- i) Without prejudice to the generality of the foregoing, all leave and license agreements/deeds, lease agreements/deeds, bank guarantees, corporate guarantees, performance guarantees and letters of credit, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Company or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any membership, deposit, advances, receivables or claims) arising or accruing there from, shall, with effect from Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting orders of the NCLT, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits its, rights, entitlements, licenses, memberships of the Transferee Company. Such property and rights shall stand vested in the Transferee Company and shall be deemed to have become the property of the Transferee Company by operation of law, whether the same is implemented by endorsement or delivery and possession or recordal in any other manner.*
- j) All the intellectual property rights of any nature whatsoever, including but not limited to intangible assets appertaining to the Transferor Company, whether or not provided in books of accounts of the Transferor Company, shall stand transferred and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Transferee Company.*
- k) All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, goods and services tax, service tax, excise duty, etc.) payable by or refundable to or being the entitlement of the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, tax holidays, remissions, reductions, as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. Benefit of tax losses including brought forward business loss, unabsorbed depreciation, etc., up to Appointed Date, shall be available to*

Transferee Company with effect from Appointed Date in terms of section 72A of Income Tax Act.

- l) The Transferee Company shall be entitled to claim refunds or credits, including Input Tax Credits, with respect to taxes paid by, for, or on behalf of, the Transferor Company under applicable laws, including but not limited to sales tax, value added tax, goods and services tax, service tax, excise duty or any other tax, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed. For the avoidance of doubt, Input Tax Credits already availed of or utilized by the Transferor Company and the Transferee Company in respect of inter se transactions shall not be adversely impacted by the cancellation of inter se transactions pursuant to this Scheme.*
- m) All statutory rights and obligations of Transferor Company would vest on/accrue to Transferee Company. Hence, obligation of the Transferor Company, prior to the Effective Date, to issue or receive any statutory declaration or any other Forms by whatever name called, under the State VAT Acts or the Central Sales Tax Act or Central and/or State Goods and Services Tax Act or any other act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Transferee Company and if any Form relating to the period prior to the said Effective Date is received in the name of the Transferor Company, it would be deemed to have been received by the Transferee Company in fulfilment of its obligations.*
- n) Benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, shall stand transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, and the said corporate approvals and compliances shall be deemed to have originally been taken and complied with by the Transferee Company.*
- o) The resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall stand continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act as applicable, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.*

p) *Such of the assets comprised in the Undertaking and which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the assets of the Transferee Company.*

5.3 *Without prejudice to the generality of Clause 5.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:-*

a) *All the Liabilities, whether or not provided in the books of the Transferor Company, shall without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same.*

b) *All Liabilities comprised in the Undertaking, and which are incurred or which arise or accrue to the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same.*

c) *Any Liabilities of the Transferor Company as on the Appointed Date that are discharged by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to have been discharged for and on account of the Transferee Company.*

d) *All loans raised and utilized, liabilities, duties and taxes and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date but prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and shall stand transferred to and vested in*

and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date, the Transferee Company shall meet, discharge and satisfy the same.

- e) *Loans, advances and other obligations (including any arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.*

9. CONSIDERATION

9.1 *The Transferee Company shall without any further application, act, instrument or deed, issue and allot to each shareholder of the Transferor Company whose name is recorded in the register of members of the Transferor Company on the Record Date in the following Ratio (“Share Entitlement Ratio”):*

(a) ***“107 (One Hundred Seven) fully paid Equity shares of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 100 (One Hundred) fully paid Equity shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company.”***

(b) ***“1 (One) fully paid Equity shares of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 29 (Twenty Nine) fully paid Preference shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company.”***

9.2 *The Share Exchange Ratio has been arrived at on basis of the valuation report of Krunal Manojbhai Sheth, a Registered Valuer.*

9.3 *The shares to be issued and allotted by the Transferee Company in terms of Clause 9.1 above shall be subject to the provisions of the Memorandum and Articles of association of the Transferee Company and shall rank paripassu in all respects with the existing shares of Transferee Company.*

9.4 *In respect of fractional entitlement to a shareholder, the same shall be rounded off to the*

nearest integer

9.5 *Upon the Scheme being effective and upon the shares of the Transferee Company being issued to the shareholders of the Transferor Company, the Shares held in the Transferor Company shall stand cancelled.*

9.6 *The issue and allotment of shares by the Transferee Company to the equity shareholders of the Transferor Company as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out without any further act or deed by Transferee Company as if the procedure laid down under Section 62(1) (c) of the Act and any other applicable provisions were duly complied with.*

10. ACCOUNTING TREATMENT

Upon the scheme becoming effective the Transferee Company shall account for the amalgamation of the Transferor Company in the books of accounts in accordance with 'Pooling of Interest Method' of accounting as laid down in Appendix C of IND-AS 103 (Business Combinations of entities under common control) as under:

10.1 *All the assets, and liabilities in the books of the Transferor Company shall be recorded by the Transferee Company in its books of accounts at their respective carrying amounts as appearing in the books the Transferor Company. No adjustment shall be made to reflect fair values, or recognize any new assets of liabilities.*

10.2 *The identity of the reserves of the Transferor Companies shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appear in the financial statements of the Transferor Company, prior to this Scheme being made effective.*

10.3 *In case of any differences in accounting policy between Transferor Company and Transferee Company the accounting policies followed by Transferee will prevail and difference till the Appointed Date shall be adjusted in Capital Reserves of Transferee Company, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy*

10.4 *The carrying amount of investments in the equity shares of the Transferor Company to the extent held by the Transferee Company (if any), shall stand cancelled.*

10.5 *Inter-company transactions and balances including loans, advances, amount receivable or payable inter-se between the Transferor Company and Transferee Company as appearing in their books of accounts, if any, shall stand cancelled.*

- 10.6 *Comparative financial information in the financial statements of the transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period.*
- 10.7 *The balance of the retained earnings appearing in the financial statements of the Transferor Company will be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company.*
- 10.8 *The surplus/ deficit, if any, of the net value of assets, liabilities and reserves of the Transferor Company acquired and recorded by the Transferee Company in terms of Clause 10.1 over the sum of (a) the face value of the new shares issued and allotted pursuant to Clause 9; and (b) the value of investments cancelled if any pursuant to Clause 10.4 shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company.*
- 10.9 *Without prejudice to what is stated in clause 10.1 to 10.8 above, any issue, which may arise in respect of accounting treatment to be given to the balances, assets, liabilities, reserves, capital, goodwill etc. in the books of account of Transferor and Transferee Company as the case may be, the Board of Directors of the respective Companies in consultation with the auditors of the respective Companies shall resolve the said issue/s considering the provisions of the Act and applicable Accounting Standards.*

11. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the coming into effect of the Scheme, the Transferor Company shall, without any further act, instrument or deed, stand dissolved without following the process of Winding up.

12. CONSOLIDATION AND OF AUTHORISED SHARE CAPITAL AND AMENDMENT OF MEMORANDUM OF ASSOCIATION

- 12.1 *As an integral part of the Scheme, upon this Scheme becoming effective and with effect from Appointed Date, the authorised share capital of the Transferor Company amounting to Rs. 11, 00, 00,000/- or the amount as on the Effective Date shall, without any further act, instrument or deed or payment of filing fees payable to the Registrar of Companies or stamp duty, stand transferred to and be merged with the authorised share capital of the Transferee Company.*
- 12.2 *Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, stand altered, modified and amended pursuant to*

Sections 13, 61 and 62 of the Act and other applicable provisions of the Act, as the case may be and be replaced accordingly.

12.3 It is further clarified that under the accepted principle of single window clearance, the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval for the proposed amendment of the Capital clause of the Memorandum of Association of the Transferee Company, under the provisions of Section 13, 61 and 62 of the Act and other applicable provisions of the Act. The Transferee Company shall not be required to pass separate resolutions or undertake any further procedure as required under the Act, nor any additional fees or stamp duty, shall be payable by the Transferee Company.

12.4 Consequent to the clubbing of the Authorised Share Capital of the Transferor Company with the Transferee Company, the Authorized Share Capital of the Transferee Company shall be increased to Rs. 13,00,00,000/-

12.5 The following clause V in the Memorandum of Association of the Transferee Company shall stand amended to be read as under:

Clause V of Memorandum of Association

“The authorized share capital of the company is Rs.13,00,00,000/- (Rupees Thirteen Crores Only) divided into 30,00,000 (Thirty Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each and 10,00,000 (Ten Lakh) 4% Redeemable Non-Cumulative Preference Share of Rs.100/- each.”

7. PRE AND POST ARRANGEMENT CAPITAL STRUCTURE

7.1 The pre arrangement capital structure of the Transferee Company and Transferor Company as on 31st March, 2020 is given above in point 3. A. (j) and 3.B. (d).

7.2 The post arrangement capital structure of the Transferee Company is as follows:

Authorised Share Capital	Amount in Rs.
30,00,000 Equity shares of Rs. 10/- each	30,000,000
10,00,000 4% Redeemable Non-Cumulative Preference Share of Rs.100/- each	10,00,00,000
Total	13,00,00,000
Issued, Subscribed & Paid Up Share Capital	Amount in Rs.
8,19,135 Equity shares of Rs. 10/- each fully paid	8,191,350

Total	8,191,350
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There will not be any post arrangement capital structure of the Transferor Company as the company will get dissolved without following the process of Winding up.

8. CONSIDERATION

The Valuation Report dated 4th March, 2020, provided by Krunal Sheth, Registered Valuer, attached herewith as **Annexure II**. Valuation of the Transferor and Transferee Company are done on going concern basis wherein Income approach of valuation is considered more important. Discounted cash flow valuation is used for valuation of equity shares of Transferor and Transferee Company and for Preference shares issued by Transferor Company, income approach is considered. The Board of Directors of the Transferee Company and the Transferor Company have determined the share entitlement ratio at its meeting held on 20th March 2020 as follows:

- (a) ***“107 (One Hundred Seven) fully paid Equity shares of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 100 (One Hundred) fully paid Equity shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company.”***
- (b) ***“1 (One) fully paid Equity shares of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 29 (Twenty Nine) fully paid Preference shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company.”***

9. EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Directors holding the shares in the Transferee Company may be deemed to be concerned / interested in the proposed scheme to the extent of the shares that may be held by them or the companies in which they are Directors. Further, none of the Directors, Key Managerial Personnel ('KMP') and Relatives of the Directors of the Transferee Company have any material interest in the scheme except as shareholders. It is further clarified that their interest shall not be treated preferentially or in any way different than the other shareholders.

None of the directors have given any loans to either of the companies.

10. GENERAL

- a) The Transferee Company and the Transferor Company have made joint application

before the Tribunal on 14.10.2020, for the sanction of the Scheme under Sections 230 to Section 232 of the Companies Act, 2013.

- b) In relation to the meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the respective Applicant Companies, whose names are appearing in the records of the Company shall be eligible to attend and vote at the respective meetings.
- c) The details of promoters, directors shareholding and the shareholding pattern of the Applicant Companies is as follows:

- i) The shareholding pattern of the Transferee Company as on 30th November, 2020 is as follows:

Sr. No.	Name of Shareholder	No. of equity shares held of Rs. 10/- each	Percentage of Shareholding
1.	Promoters (A)		
(i)	Promoters Individual	463980	68.48
(ii)	Bodies Corporate (Promoters)	9700	1.43
(iii)	Foreign Promoter	9550	1.40
	Total (A)	483230	71.31
2.	Public Shareholders (B)		
(i)	Financial Institutions / Banks	400	0.05
(ii)	Central Government/ State Government(s)/ President of India	0	0
(iii)	Individuals	168574	24.88
(iv)	IEPF	9881	1.46
(v)	Hindu undivided Family	2295	0.34
(vi)	NRI on non repatriation basis	686	0.10
(vii)	Bodies Corporate	12586	1.86
	Total(B)	194422	28.69
	Total (A+B)	677652	100

Names and addresses of the Directors and Promoters of the Transferee Company are as under:

Sr. No	Name of Director and Promoters	Address	No. of shares held	Category
1.	Shreyas Sheth	4, Ruchir-II Bungalows, Opp. Nehru Foundation Judges Bungalows Road, Vastrapur, Ahmedabad - 380054	247941	Managing Director and Promoter
2.	Priti Sheth	4, RUCHIR - 2, Opp. Nehru Foundation, Judges Bungalow Road, Bodakdev, Ahmedabad 380054	42032	Director and Promoter

ii) The shareholding pattern of the Equity Shareholders of the Transferor Company as on 8th October, 2020 is as follows:

Sr. No.	Name of Shareholders	No. of Shares	Amt paid up Per Shares (Rs.)
1	Shreyas C. Sheth	20000	100
2	Pratik Shreyas Sheth	20000	100
3	Priti Shreyas Sheth	20000	100
4	Shreyas C. Sheth HUF	20000	100
5	Rutika Shreyas Sheth	10000	100
6	Horst Wustinger	10000	100
	TOTAL	100000	100

The shareholding pattern of the Preference Shareholders of the Transferor Company as on 8th October, 2020 is as follows:

Sr. No.	Name of Shareholders	No. of Shares	Amt paid up per Shares (Rs.)
1	Shreyas C. Sheth (HUF)	222200	100
2	Shreyas C. Sheth	222250	100
3	Pratik Shreyas Sheth	222250	100
4	Priti Shreyas Sheth	222200	100
5	Rutika Shreyas Sheth	111100	100
	TOTAL	1000000	100

g) Names and addresses of the Directors and Promoters of the Transferor Company are as under:

Sr. No	Name of Director	Address	No. of Equity shares held	No. of Preference shares held	Category
1	Shreyas Sheth	4, Ruchir-II Bungalows, Opp. Nehru Foundation Judges Bungalows Road, Vastrapur, Ahmedabad - 380054	20,000	2,22,250	Director and Promoter
2	Priti Sheth	4, RUCHIR - 2, Opp. Nehru Foundation, Judges Bungalow Road, Bodakdev, Ahmedabad 380054	20,000	2,22,200	Director and Promoter
3	Pratik Sheth	4, Ruchir - 2, Opp. Nehru Foundation. Judges Bungalow Road, Bodakdev, Ahmedabad 380054	20,000	2,22,250	Director and Promoter

- d) The amount of the Secured Debt in case of Amol Minechem Limited, as on 30th June, 2020 is Rs.1, 32, 10,442/- (Rupees One Crore Thirty-Two Lakh Ten Thousand Four Hundred Forty-Two Only).
- e) There are no Secured Creditors of the Perlcon Premix Private Limited, the Applicant Transferor Company.
- f) The amount of the Unsecured Debt in case of Amol Minechem Limited the Applicant Transferee Company as on 30th June, 2020 is Rs.2,14,69,463/- (Rupees Two Crore Fourteen Lakh Sixty-Nine Thousand Four Hundred Sixty-Three Only).
- g) The amount of the Unsecured Debt in case of Perlcon Premix Private Limited, the Applicant Transferor Company as on 30th June, 2020 is Rs.15, 30, 07,386/- (Rupees Fifteen Crore Thirty Lakh Seven Thousand Three Hundred Eighty-Six only).
- h) Except to the extent of the shares held by the Directors and KMP as stated above, none of the Directors and KMP of the respective Applicant Companies or their respective relatives is in any way connected or interested in this Scheme.
- i) There are no winding up proceedings and/or proceedings under the Insolvency and Bankruptcy Code pending against any of the Applicant Companies as of date.
- j) No investigation proceedings are pending or are likely to be pending under the provisions

of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Applicant Companies.

- k) The Transferee Company and the Transferor Company are required to seek approvals/ sanctions/ no-objections from certain regulatory and governmental authorities for the Scheme such as the Registrar of Companies, Regional Director, Official Liquidator and Income-tax and will obtain the same at the relevant time.
- l) The Applicant Companies do not have any depositors, debenture holders, deposit trustee and debenture trustee. The Scheme will not have any impact on the employees of the Applicant Companies. The Scheme will not have any impact on the creditors of the Applicant companies.

11. Inspection of the following documents specified under Rule 6(3)(ix) of the Companies (Compromises, Arrangements and Arrangements) Rules, 2016 may be carried out by the Equity Shareholders, Secured Creditor and Unsecured Creditors of the Transferee Company at the Registered Office of the Transferee Company and Equity shareholders and Unsecured Creditors of the Transferor Company at the Registered Office of the Transferor Company on any working days prior to the date of the meeting between 10.00 a.m. to 2.00 p.m. respectively.

- (a) Copy of the Order dated 2nd December 2020 of the Tribunal passed in C.A. (CAA) No. 71 of 2020 directing the convening of the meeting of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company and Equity Shareholders and Unsecured Creditors the Transferor Company;
- (b) Memorandum and Articles of Association of the Transferee Company and the Transferor Company;
- (c) Copy of Scheme of Amalgamation
- (d) Valuation report dated 04/03/2020 from Mr. Krunal Sheth, Registered Valuer.
- (e) Audited Financial Statements of the Applicant Companies for last three financial years ended March 31, 2020, March 31, 2019 and March 31, 2018;
- (f) Unaudited Financial Statements of the Applicant Companies as on 30th June 2020.
- (g) Statutory Auditor's Certificate certifying the accounting treatment;
- (h) Copies of the resolution passed by the Board of Directors of the Transferee Company and Transferor Company approving the Scheme.

- (i) Copy of Form No. GNL-1 filed by the Applicant Companies with the concerned Registrar of Companies along with challan evidencing filing of the Scheme with the concerned Registrar of Companies.

Considering the rationale and benefits, the Applicant Companies recommend the Scheme for approval its Equity Shareholders and Creditors as it is in the best interest of the Company and its stakeholders.

Date: 15/12/2020

Sd/-
Munir Shah
Chairman Appointed for the meetings

**SCHEME OF AMALGAMATION
OF
PERLCON PREMIX PRIVATE LIMITED
(TRANSFEROR COMPANY)
WITH
AMOL MINECHEM LIMITED (TRANSFeree COMPANY)
(Formerly known as Amol Dicalite Limited)

AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

This Scheme is presented pursuant to the provisions of Section 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income Tax Act 1961 (IT Act), as applicable for the amalgamation of the Transferor Company into and with the Transferee Company, on a going concern basis.

1. DESCRIPTION OF COMPANIES AND BACKGROUND

- A. Perlcon Premix Private Limited is a Private Limited Company incorporated on 11th July, 2010 under the provisions of the Companies Act, 1956, with the Registrar of Companies, Gujarat, Dadra and Nagar Havelli. The Corporate Identification Number of the Company is U24220GJ2010PTC061519. The Company has its registered office at 302, "Akshay", 53, Shrimali Society, Navrangpura, Ahmedabad-380 009 in the state of Gujarat. The company is engaged in manufacturing and trading of all types of dry mortar mix, plasters, ready mix plasters and concrete etc.
- B. Amol Minechem Limited is a Public Limited Company incorporated on 2nd July, 1979 under the provisions of the Companies Act 1956, with the Registrar of Companies, Gujarat in the name and style of "Amol Dicalite Limited". Subsequently, the company changed its name from "Amol Dicalite Limited" to "Amol Minchem Limited" as approved by Registrar of Companies, Ahmedabad dated 15th July, 2019. The Corporate Identification Number of the Company is L14100GJ1979PLC003439. The Company has its registered office at 401,

"Akshay", 53, Shrimali Society, Navrangpura Ahmedabad – 380 009 in the state of Gujarat. The Company is engaged in production of Perlite based Products. The Equity Shares of the Company were originally listed on Ahmedabad Stock Exchange Limited (ASE), w.e.f July 2, 1981. The Equity Shares of the Company got listed on Calcutta Stock Exchange Limited (“CSE”) w.e.f October 28, 2015. However, the shares of the company have been delisted since 2018.

2. RATIONALE FOR THE SCHEME OF AMALGAMATION:

The rationale for the proposed Scheme is set out below:

- (i) Simplification of group structure by eliminating multiple companies thus enabling focus on core competencies and unlocking of value.
- (ii) Greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund organic and inorganic growth opportunities, to maximize shareholder value.
- (iii) Cost savings are expected to flow from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement, usage of common resource pool like human resource, administration, finance, accounts, legal, technology and other related functions, leading to elimination of duplication and rationalization of administrative expenses.
- (iv) Healthier and larger balance sheet of both entities is expected to improve the credit profile, thereby enhancing the competitive positioning.
- (v) The Scheme will help amalgamated entity in sharpening its competitiveness and developing its core competencies, in the long term, through cost savings and benefit of economies of scale. It would result in greater integration, greater financial strength and flexibility of the amalgamated entity which will improve the competitive position of the combined entity.

3. DEFINITIONS

In the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- 3.1 **“Act”** or **“the Act”** means the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and includes any alterations, modifications, amendments made thereto and/or any re-enactment thereof;
- 3.2 **“Transferor Company”** means Perlcon Premix Private Limited or ‘PPPL’ a company incorporated under Companies Act, 1956 having its registered office at 302, "Akshay", 53, Shrimali Society, Navrangpura, Ahmedabad-380 009;
- 3.3 **“Transferee Company”** means Amol Minechem Limited or ‘AML’ a company incorporated under Companies Act, 1956 having its registered office at 401, "Akshay", 53, Shrimali Society, Navrangpura Ahmedabad– 380 009;
- 3.4 **“Appointed Date”** means 1st April, 2019, or such other date as may be directed by the NCLT and is the date with effect from which the Scheme shall upon sanction by the NCLT, be deemed to be operative;
- 3.5 **“Board of Directors”** or **“Board”** in relation to each of the Companies, as the case may be, means the Board of Directors of such companies and shall, unless repugnant to the context, include a committee of directors or any person authorized by the Board of Directors or such committee of Directors;
- 3.6 **“Effective Date”** means the date on which the certified copies of the Order of National Company Law Tribunal, Ahmedabad Bench under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 sanctioning the Scheme are filed with the Registrar of Companies, Gujarat at Ahmedabad;
- 3.7 **“NCLT”** or **“National Company Law Tribunal”** means the National Company Law Tribunal, Ahmedabad Bench or such other forum or authority as may be vested with any of the power to approve the Scheme under the Act;
- 3.8 **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Scheme of Amalgamation, with or without any modification approved or imposed or directed by the Tribunal;
- 3.9 **Encumbrance”** means:
- (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or

interest of any kind securing, or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law;

(ii) A contract to give or refrain from giving any of the foregoing;

(iii) Any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person; and (iv) any adverse claim as to title, possession or use; and the term "Encumbered" shall be construed accordingly;

3.10 "**Undertaking**" means and includes the whole undertaking and entire business of the Transferor Company as a going concern, including, without limitation:

a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications and related data, equity shares, preference shares and other securities of associate/ subsidiary/ joint venture companies, plant and machinery, equipment, furniture, fixtures, vehicles, stocks and inventory including, cables, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, inverters, electrical fittings, submersible pumps, electrical erections, earthing and lighting systems, cash in hand, amounts lying in the banks, investments, escrow accounts, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold/ leasehold rights, brands, sub-letting tenancy rights, leave and license permissions, goodwill, other intangibles, industrial and other licenses, approvals, permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other industrial and intellectual properties and rights of any nature whatsoever including know-how, websites, portals, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits (including all work-in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-

government, local authorities or any other Person including customers, contractors or other counter parties, etc., all earnest monies and/ or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses, privileges 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 Company;

- b) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/ or security deposits, payment against warrants, if any, or other entitlements of the Transferor Company;
- c) all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertaking, memoranda of agreements, memoranda of agreed points, bids, tenders, tariff orders, expression of interest, letter of intent, hire purchase agreements, lease/ licence agreements, tenancy rights, agreements/ panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims and clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;
- d) investments in shares, debentures and other securities held by the Transferor Company;
- e) all the debts, liabilities, duties and obligations including contingent liabilities of the Transferor Company; and
- f) all books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs along with their licenses, 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, in connection with or relating to the business of the Transferor Company.
- g) all the employees, who are on the payrolls of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Transferor Company, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers

and interns/trainees hired by the Transferor Company.

All terms and words used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, as applicable, the Income Tax Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.

4. SHARE CAPITAL

4.1 The capital structure of the Transferor Company as on 31st March 2020 is as under:

Authorised Share Capital	Amount in Rs.
1,00,000 Equity Shares of Rs.100/- Each	1,00,00,000
10,00,000 4% Redeemable Non-Cumulative Preference Share of Rs.100/-each	10,00,00,000
Total	11,00,00,000
Issued, Subscribed & Paid Up Share Capital	Amount in Rs.
1,00,000 Equity Shares of Rs.100/- Each	1,00,00,000
10,00,000 4% Redeemable Non-Cumulative Preference Share of Rs.100/-each	10,00,00,000
Total	11,00,00,000

There has been no change in the issued, subscribed and paid up share capital of PPPL till date.

4.2 The capital structure of the Transferee Company as on 31st March, 2020 is as under:

Authorised Share Capital	Amount in Rs.
20,00,000, Equity shares of Rs. 10/- each	2,00,00,000
Total	2,00,00,000
Issued, Subscribed & Paid Up Share Capital	Amount in Rs.
6,77,652, Equity shares of Rs. 10/- each fully paid	67,76,520
Total	67,76, 520

There has been no change in the issued, subscribed and paid up share capital of AML till date.

5. TRANSFER AND VESTING OF THE UNDERTAKING

- 5.1 Upon the coming into effect of the Scheme with effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the sanction of the Scheme by the NCLT and pursuant to the provisions of Section 230 – 232 of the Companies Act, 2013, and all other provisions of applicable law, if any as applicable, will be and shall stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company, as a going concern, in accordance with Section 2(1B) of the Income Tax Act, 1961 without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 5.2 Without prejudice to the generality of Clause 5.1 above, upon the coming into effect of the Scheme and with effect from the Appointed Date:-
- a) All the estate, assets (including intangible assets), properties, investments of all kinds, rights, claims, title, interest and authorities including accretions and appurtenances, whether or not provided and/or recorded in the books of accounts of the Transferor Company, comprised in the Undertaking of whatsoever nature and where-so-ever situate shall, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern so as to become, as and from the Appointed Date, the estate, assets (including intangible assets), properties, investments of all kinds, rights, claims, title, interest and authorities including accretions and appurtenances of the Transferee Company.
 - b) Such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery shall, without any cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in the Transferee Company and/or be deemed to stand transferred to the Transferee Company as a part of the transfer of the Undertaking as a going concern so as to become from the Appointed date the assets and properties of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as

appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

- c) All other movable properties of the Transferor Company, including investments of all kinds, sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, deposits with any Government, quasi government, local or other authority or body or with any company or other person, shall without any further act, instrument or deed, cost or charge, be and shall stand transferred to and vested in the Transferee Company and/or deemed to have been transferred to and vested in the Transferee Company, by way of delivery of possession of the respective documents, as applicable, as a part of the transfer of the Undertaking as a going concern, so as to become from the Appointed Date, the assets and properties of the Transferee Company.
- d) The Transferee Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor, that pursuant to the sanction of this Scheme by the NCLT, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize all such debts (including the debts payable by such debtor or obligor to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Transferor Company and all the rights, title and interest of the Transferor Company in any licensed properties or leasehold properties shall, pursuant to the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.
- e) All immovable properties, if any of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges

attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT in accordance with the terms hereof. It is however clarified that the applicable stamp duty for such transfer on amalgamation under the order of the Hon'ble Tribunal shall be duly paid.

- f) All lease license or rent agreements entered into by the Transferor Company with various landlords, owners and lessors in connection with the use of the assets of the Transferor Company, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent or lease or license fee as provided for in such agreements, and the Transferee Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants there-under. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company.
- g) All permissions, approvals, consents, subsidies, incentives, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, if any, shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements, of the Transferee Company and shall remain

valid, effective and enforceable on the same terms and conditions. It is further clarified that they shall be deemed to have originally been given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof and the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company.

- h) All contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, its rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of that Transferor Company.
- i) Without prejudice to the generality of the foregoing, all leave and license agreements/deeds, lease agreements/deeds, bank guarantees, corporate guarantees, performance guarantees and letters of credit, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Company or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any membership, deposit, advances, receivables or claims) arising or accruing there from, shall, with effect from Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting orders of the NCLT, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits its, rights, entitlements, licenses, memberships of the Transferee Company. Such property and rights shall stand vested in the Transferee Company and shall be deemed to have become the property of the Transferee Company by operation of law, whether the same is implemented by endorsement or delivery and possession or recordal in any other manner.

- j) All the intellectual property rights of any nature whatsoever, including but not limited to intangible assets appertaining to the Transferor Company, whether or not provided in books of accounts of the Transferor Company, shall stand transferred and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Transferee Company.
- k) All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, goods and services tax, service tax, excise duty, etc.) payable by or refundable to or being the entitlement of the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, tax holidays, remissions, reductions, as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. Benefit of tax losses including brought forward business loss, unabsorbed depreciation, etc., up to Appointed Date, shall be available to Transferee Company with effect from Appointed Date in terms of section 72A of Income Tax Act.
- l) The Transferee Company shall be entitled to claim refunds or credits, including Input Tax Credits, with respect to taxes paid by, for, or on behalf of, the Transferor Company under applicable laws, including but not limited to sales tax, value added tax, goods and services tax, service tax, excise duty or any other tax, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed. For the avoidance of doubt, Input Tax Credits already availed of or utilized by the Transferor Company and the Transferee Company in respect of inter se transactions shall not be adversely impacted by the cancellation of inter se transactions pursuant to this Scheme.
- m) All statutory rights and obligations of Transferor Company would vest on/accrue to Transferee Company. Hence, obligation of the Transferor Company, prior to the Effective Date, to issue or receive any statutory declaration or any other Forms by whatever name called, under the State VAT Acts or the Central Sales Tax Act or Central and/or State Goods and Services Tax Act or any other act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Transferee Company and if any Form relating to the period prior to the said Effective Date is received in the name

of the Transferor Company, it would be deemed to have been received by the Transferee Company in fulfilment of its obligations.

- n) Benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, shall stand transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, and the said corporate approvals and compliances shall be deemed to have originally been taken and complied with by the Transferee Company.
- o) The resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall stand continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act as applicable, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.
- p) Such of the assets comprised in the Undertaking and which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the assets of the Transferee Company.

5.3 Without prejudice to the generality of Clause 5.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:-

- a) All the Liabilities, whether or not provided in the books of the Transferor Company, shall without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same.

- b) All Liabilities comprised in the Undertaking, and which are incurred or which arise or accrue to the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same.
- c) Any Liabilities of the Transferor Company as on the Appointed Date that are discharged by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to have been discharged for and on account of the Transferee Company.
- d) All loans raised and utilized, liabilities, duties and taxes and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date but prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and shall stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date, the Transferee Company shall meet, discharge and satisfy the same.
- e) Loans, advances and other obligations (including any arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

6. EMPLOYEES

6.1 Upon the coming into effect of this Scheme, all employees, who are on the payrolls of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Transferor Company who are on its payrolls shall become employees of the Transferee Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and

any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.

- 6.2 The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme (including without limitation any employees stock option plan) or benefits created by the Transferor Company for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company to the existing funds maintained by the Transferor Company.
- 6.3 The Transferee Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Company, the past services of such employees with the Transferor Company shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Transferor Company will transfer/handover to the Transferee Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

6.4 The Transferee Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Transferor Company with any of its employees prior to Appointed Date and from Appointed Date till the Effective Date.

7. LEGAL PROCEEDINGS

7.1 All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Transferor Company shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.

7.2 Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

7.3 The Transferee Company undertakes to have accepted on behalf of itself, all suits, claims, actions and legal proceedings initiated by or against the Transferor Company transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

8. CONDUCT OF BUSINESS

8.1 With effect from the Appointed Date and upto and including the Effective Date:

- (a) the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of the entire Undertaking for and on account of, and in trust for, the Transferee Company;
- (b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by the Transferor Company for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Transferee Company;

- (c) any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent of the Transferee Company;
- (d) all taxes, where applicable, (including but not limited to advance income tax, tax deducted at source, minimum alternate tax, wealth tax, taxes withheld/paid in a foreign country, sales tax, valued added tax, goods and services tax, excise duty, customs duty, service tax, VAT, tax refunds) payable by or refundable to the Transferor Company, including all or any tax refunds or tax liabilities or tax claims arising from pending tax proceedings, under any law, on or before the Effective Date, shall be treated as or deemed to be treated as the tax liability or tax refunds/ tax claims (whether or not recorded in the books of the Transferor Company) as the case may be, of the Transferee Company, and any unabsorbed tax losses and depreciation, etc., as would have been available to the Transferor Company on or before the Effective Date, shall be available to the Transferee Company upon the Scheme coming into effect; and

8.2 Subject to the terms of the Scheme, the transfer and vesting of the Undertaking as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or with effect from the Appointed Date till the Effective Date. The Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company.

9. CONSIDERATION

9.1 The Transferee Company shall without any further application, act, instrument or deed, issue and allot to each shareholder of the Transferor Company whose name is recorded in the register of members of the Transferor Company on the Record Date in the following Ratio ("**Share Entitlement Ratio**"):

- a) ***"107 (One Hundred Seven) fully paid Equity shares of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 100 (One Hundred) fully paid Equity shares of***

Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company.”

b) “1 (One) fully paid Equity share of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 29 (Twenty Nine) fully paid Preference shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company.”

9.2 The Share Exchange Ratio has been arrived at on basis of the valuation report of Mr. Krunal Manojbhai Sheth, a Registered Valuer.

9.3 The shares to be issued and allotted by the Transferee Company in terms of Clause 9.1 above shall be subject to the provisions of the Memorandum and Articles of association of the Transferee Company and shall rank *paripassu* in all respects with the existing shares of Transferee Company.

9.4 In respect of fractional entitlement to a shareholder, the same shall be rounded off to the nearest integer.

9.5 Upon the Scheme being effective and upon the shares of the Transferee Company being issued to the shareholders of the Transferor Company, the Shares held in the Transferor Company shall stand cancelled.

9.6 The issue and allotment of shares by the Transferee Company to the equity shareholders of the Transferor Company as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out without any further act or deed by Transferee Company as if the procedure laid down under Section 62(1) (c) of the Act and any other applicable provisions were duly complied with.

10. ACCOUNTING TREATMENT

Upon the scheme becoming effective the Transferee Company shall account for the amalgamation of the Transferor Company in the books of accounts in accordance with 'Pooling

of Interest Method' of accounting as laid down in Appendix C of IND-AS 103 (Business Combinations of entities under common control) as under:

- 10.1 All the assets, and liabilities in the books of the Transferor Company shall be recorded by the Transferee Company in its books of accounts at their respective carrying amounts as appearing in the books the Transferor Company. No adjustment shall be made to reflect fair values, or recognize any new assets of liabilities.
- 10.2 The identity of the reserves of the Transferor Companies shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appear in the financial statements of the Transferor Company, prior to this Scheme being made effective.
- 10.3 In case of any differences in accounting policy between Transferor Company and Transferee Company the accounting policies followed by Transferee will prevail and difference till the Appointed Date shall be adjusted in Capital Reserves of Transferee Company, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy
- 10.4 The carrying amount of investments in the equity shares of the Transferor Company to the extent held by the Transferee Company (if any), shall stand cancelled.
- 10.5 Inter-company transactions and balances including loans, advances, amount receivable or payable inter-se between the Transferor Company and Transferee Company as appearing in their books of accounts, if any, shall stand cancelled.
- 10.6 Comparative financial information in the financial statements of the transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period.
- 10.7 The balance of the retained earnings appearing in the financial statements of the Transferor Company will be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company.

- 10.8 The surplus/ deficit, if any, of the net value of assets, liabilities and reserves of the Transferor Company acquired and recorded by the Transferee Company in terms of Clause 10.1 over the sum of (a) the face value of the new shares issued and allotted pursuant to Clause 9; and (b) the value of investments cancelled if any pursuant to Clause 10.4 shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company.
- 10.9 Without prejudice to what is stated in clause 10.1 to 10.8 above, any issue, which may arise in respect of accounting treatment to be given to the balances, assets, liabilities, reserves, capital, goodwill etc. in the books of account of Transferor and Transferee Company as the case may be, the Board of Directors of the respective Companies in consultation with the auditors of the respective Companies shall resolve the said issue/s considering the provisions of the Act and applicable Accounting Standards.

11. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the coming into effect of the Scheme, the Transferor Company shall, without any further act, instrument or deed, stand dissolved without following the process of Winding up.

12. CONSOLIDATION OF AUTHORISED SHARE CAPITAL AND AMENDMENT OF MEMORANDUM OF ASSOCIATION

- 12.1 As an integral part of the Scheme, upon this Scheme becoming effective and with effect from Appointed Date, the authorised share capital of the Transferor Company amounting to Rs. 11, 00, 00,000/- or the amount as on the Effective Date shall, without any further act, instrument or deed or payment of filing fees payable to the Registrar of Companies or stamp duty, stand transferred to and be merged with the authorised share capital of the Transferee Company.
- 12.2 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, stand altered, modified and amended pursuant to Sections 13, 61 and 62 of the Act and other applicable provisions of the Act, as the case may be and be replaced accordingly.
- 12.3 It is further clarified that under the accepted principle of single window clearance, the approval of the members of the Transferee Company to the Scheme shall be deemed to be

their consent/approval for the proposed amendment of the Capital clause of the Memorandum of Association of the Transferee Company, under the provisions of Section 13, 61 and 62 of the Act and other applicable provisions of the Act. The Transferee Company shall not be required to pass separate resolutions or undertake any further procedure as required under the Act, nor any additional fees or stamp duty, shall be payable by the Transferee Company.

12.4 Consequent to the clubbing of the Authorised Share Capital of the Transferor Company with the Transferee Company, the Authorized Share Capital of the Transferee Company shall be increased to Rs. 13,00,00,000/-

12.5 The following clause V in the Memorandum of Association of the Transferee Company shall stand amended to be read as under:

Clause V of Memorandum of Association

“The authorized share capital of the company is Rs.13,00,00,000/- (Rupees Thirteen Crores Only) divided into 30,00,000 (Thirty Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each and 10,00,000 (Ten Lakh) 4% Redeemable Non-Cumulative Preference Share of Rs.100/- each.”

13. CONDITIONS TO EFFECTIVENESS OF THE SCHEME

The Scheme is conditional upon and subject to:

- (a) The Transferor and Transferee Company jointly making the requisite company applications/petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the NCLT for seeking sanction of this Scheme.
- (b) The approval by the requisite majority of the shareholders and creditors of the Companies, as may be directed by the NCLT or any other competent authority, as may be applicable.
- (c) Such other filings, approvals and sanctions, as may be required by law from the relevant authorities in respect of the Scheme;
- (d) The NCLT having accorded sanction to the Scheme and if any modifications have been prescribed the same being acceptable to the Companies; and
- (e) Such certified/authenticated copy of the order of the NCLT sanctioning this Scheme being filed with the Registrar of Companies, Gujarat, by the Companies.

In case any of the conditions in the Scheme are not satisfied or waived, then the Companies shall be at liberty to withdraw the Scheme.

14. DIVIDEND

14.1 The Companies shall be entitled to declare and pay dividends, whether interim and/or final, to their members in respect of the accounting period prior to the Effective Date.

14.2 The holders of the shares of the Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

14.3 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 the Companies to demand or claim any dividends which, subject to the provisions of the Act, as applicable, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and subject to the approval, if required, of the respective members of the Companies.

15. APPLICATION

15.1 The Companies shall undertake requisite procedure for filing necessary application and petition before the Ahmedabad Bench of NCLT under Section 230 to 232 of the Act, seeking orders for dispensing with or convening, holding and/or conducting of the meeting(s) of the classes of their respective shareholders and creditors and for sanctioning this Scheme with such modifications, as may be approved by the NCLT.

15.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Company.

16. MODIFICATIONS TO THE SCHEME

The Companies (by their respective Board of Directors) may, in their full and absolute discretion:

- (a) assent to any alteration(s) or modification(s) to this Scheme which NCLT and/or any

other Governmental Authority may deem fit to approve or impose, and/or effect any other modification or amendment jointly and mutually agreed in writing, and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;

- (b) give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to any of those (to the extent permissible under law);
- (c) modify or vary this Scheme; or
- (d) if any part of this Scheme is found to be unworkable for any reasons whatsoever withdraw this Scheme prior to the Effective Date in any manner at any time; or
- (e) Determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Company or not, on the basis of any evidence that they may deem relevant for this purpose.

17. THE SCHEME TO BE OPERATIVE

17.1 The Scheme shall come into operation from the Appointed Date but the same shall become effective on and from the Effective Date.

17.2 With effect from the Effective Date, the Transferee Company shall carry on and shall be authorized to carry on the businesses of the Transferor Company. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms etc. as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.

17.3 The Transferor Company and the Transferee Company shall be entitled to, amongst other, file/ or revise its income tax returns, TDS/TCS returns, wealth tax returns, service tax returns, Goods and Service Tax returns, excise returns, VAT returns, entry tax returns, professional tax returns or any other statutory returns, if required. The Transferee Company shall be entitled to claim credit for advance tax paid, tax deducted at source, claim for deduction of sum prescribed under Section 43B of the Income Tax Act on payment basis, claim for deduction of provisions written off by Transferor Company previously disallowed in the hands of Transferor Company under the Income Tax Act, credit of tax under Section 115JB read with Section 115 JAA of the Income Tax Act, credit of foreign taxes paid/ withheld etc., if any, pertaining to the Transferor Company as may be required consequent

to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. The Transferee Company shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to its income or transactions entered into by it with effect from Appointed Date. The taxes or duties paid by, for, or on behalf of, the Transferor Company relating to the period on or after Appointed Date shall be deemed to be the taxes or duties paid by the Transferee Company and the Transferee Company shall be entitled to claim credit or refund for such taxes or duties.

17.4 Any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with the Transferor Company, including any taxes paid and taxes deducted at source and deposited by the Transferor Company on inter se transactions during the period between Appointed Date and the Effective Date shall be treated as tax paid by the Transferee Company and shall be available to the Transferee Company for set-off against its liability under the Income Tax Act and any excess tax so paid shall be eligible for refund together with interest. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Transferor Company on transactions other than inter se transactions during the period between Appointed Date and the Effective Date shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Transferee Company. Any TDS deducted by, or on behalf of, the Transferor Company on inter se transactions will be treated as tax deposited by the Transferee Company.

17.5 Transfer and vesting of assets and liabilities of the Transferor Company (including intangible assets, whether or not recorded in the books) as the case may be is not a sale in the course of business or otherwise.

18. COSTS

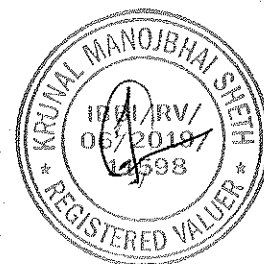
All costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of /payable by the Companies in relation to or in connection with the Scheme and incidental to the completion of the Amalgamation in pursuance of the Scheme shall be borne by the Transferee Company.

VALUATION REPORT
FOR
AMALGAMATION
OF
PERLCON PREMIX PRIVATE LIMITED
WITH AND INTO
AMOL MINECHEM LIMITED

MARCH 2020

Issued by
KRUNAL MANOJBHAI SHETH
IBBI REGISTERED VALUER FOR SECURITIES OR FINANCIAL SECURITIES
REGISTRATION NO. IBBI/RV/06/2019/11598

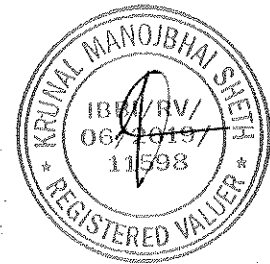
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(I) Letter to Company

Date: 4th March, 2020

To,
The Board of Directors,
Amol Minechem Limited,
401, "Akshay", 53, Shrimali Society, Navrangpura
Ahmedabad-380009
Gujarat, India

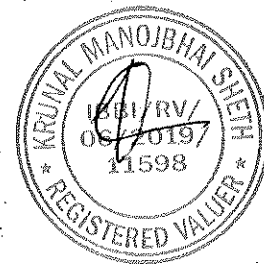
To,
The Board of Directors,
Perlcon Premix Private Limited
302, "Akshay", 53, Shrimali Society, Navrangpura,
Ahmedabad-380009
Gujarat, India

Sub: Our report on fairness of exchange ratio with regard to issue of shares on account of amalgamation of Perlcon Premix Private Limited with and into Amol Minechem Limited

Dear Sirs,

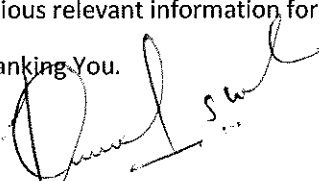
We have been appointed by Board of Directors of Amol Minechem Limited and Perlcon Premix Private Limited for providing Opinion/Recommendation of the share exchange ratio and working out fair value of shares in relation to the proposed amalgamation of Perlcon Premix Private Limited (herein after referred to as 'PPPL') with Amol Minechem Limited (herein after referred to as 'AML' or 'Company'). Accordingly, we have undertaken the valuation exercise of equity shares issued by AML & PPPL and preference shares issued by PPPL and to give opinion/recommend the fair share exchange ratio for the proposed amalgamation of PPPL with and into AML. 31st December 2019 (herein after referred to as Valuation Date) has been considered as Valuation date for the purpose of this valuation exercise and financial position as on 31.12.2019 has been considered. The proposed Amalgamation is to be done under the relevant provisions of the Companies Act.

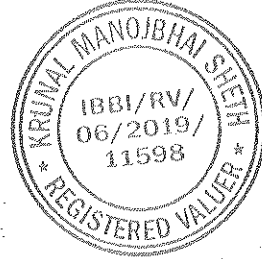
On the basis of our examination of relevant records provided to us during the assignment, we hereby submit our report along with relevant annexures. Our report summarizes results of working of fair price of shares of PPPL and AML, and recommendation for fair exchange ratio for issue of shares of AML to the shareholders of PPPL upon amalgamation with and into AML.



We would like to thank you for the co-operation extended to us by you and your team in providing various relevant information for the purpose of assignment.

Thanking You.


Name of Registered Valuer: Krunal Manojbhai Sheth
IBBI Reg No: IBBI/RV/06/2019/11598
ICAI Membership No. 127504
UDIN: 20127504AAAAAA2461
Place: Ahmedabad
Date: 4th March, 2020



(II) Background Information of the asset being valued

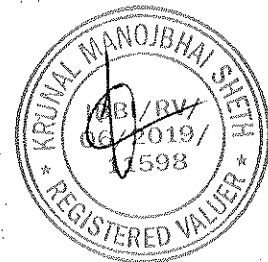
This valuation exercise has been done for the purpose of working out fair exchange ratio in relation to proposed merger being envisaged between Amol Minechem Limited and Perlcon Premix Private Limited.

Basic information about the companies has been listed hereunder:

AML:

(source: details received from company and website of the company)

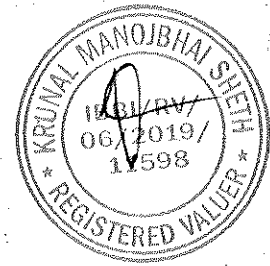
- Amol Minechem Limited (hereinafter referred to as 'AML' or Company), a Non-Government Public company bearing registration number L14100GJ1979PLC003439, registered under the Companies Act 1956, incorporated on 2nd July, 1979 and having its registered office at 401, "Akshay", 53, Shrimali Society, Navrangpura, 380009 Ahmedabad engaged production of Perlite based Products through our plant located at Kadi in Mehsana District, Gujarat
- AML also undertake cryogenic insulation jobs and have Portable Plants specially designed to carry out ONSITE jobs.
- AML was established in the year 1979 to produce, for the first time in India, Perlite Filteraids and Perlite products. AML started commercial production at the Plant located at Kadi in Mehsana District, Gujarat in the year 1982, its Corporate Office is at Ahmedabad. AML makes steady progress in developing import substitution products in Filteraids and has successfully met the requirements of majority of users. From a small beginning of 600 Metric Tons per annum, company has now reached 9000+ Metric Tons and developed many new applications. The company also undertakes cryogenic insulation jobs. It has specially designed Portable Plants to carry out ONSITE jobs.
- AML continues to be the largest producer of Perlite based products in the country with a sizeable market share. It commands a strong leadership position in the product market and brand loyalty. AML produces high quality Perlite based products and supplies to domestic as well as International markets. AML has a wide range of products to cater different industries depending upon the application. In addition to being well-known in the industry as a pioneer, its product commands a strong brand image. AML is continuously making efforts to develop new applications and increase the Perlite market. Value Added Products are being considered to increase the market share.
- For further information, please refer to the website <http://www.amolminechem.com/>
- The company is a going concern entity and intends to carry on the business in future as well.



PPPL:

(Source: details received from company)

- Perlcon Premix Private Limited (hereinafter referred to as 'PPPL'), a limited company bearing registration number U24220GJ2010PTC061519, incorporated on 11th July, 2010, registered under the companies act 1956 and having its registered office at 302, "Akshay", 53, Shrimali Society, Navrangpura, Ahmedabad Gujarat 380009, is engaged into the business of manufacturing and trading of all types of dry mortar mix, plasters, ready mix plasters and concrete etc.
- PPPL's products include light weight plasters, masonry mortars for bricks and blocks, insulation and moisture releasing plasters, decorative plasters, white and colour putties, tile/stone fixing mortars for vertical and horizontal surfaces and tile joint fillers in different colours. PPPL's product has extensive application in construction industry.
- For further information, please refer to the website <http://www.perlcon.com/>.
- PPPL is a going concern entity and intends to carry on the business in future as well.



(III) Purpose of Valuation & Appointing Authority

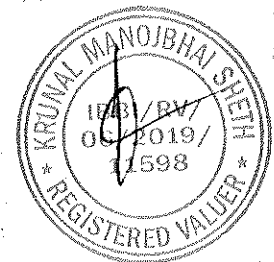
Purpose of this Report:

We have been informed by the company as under:

- There is a proposal before the Board of Directors of AML and PPPL for Amalgamation of PPPL with and into AML as per the provisions of Section 230 to 232 of the Companies Act, 2013. Under the Scheme of Amalgamation, the shareholders of PPPL will be issued shares of AML/Cash equivalent, pursuant to share exchange ratio decided upon by board of the Company and approved by the shareholders of the Company.
- Further, we have been informed that some of the key objective for the proposed amalgamation are as under:
 - To expand the product portfolio for better market positioning
 - To achieve economies of scale
 - Combined balance sheet would improve credit rating and can bring down the cost of borrowing
 - Better deployment of Financial Resources
 - In future, stock exchange listing can be planned to provide liquidity to existing shareholders and to get more avenues for fund raising
- Valuation date for this purpose has been considered as December 31, 2019.
- The report shall be exclusively used for all purposes as would be required for getting clearances from all applicable regulatory authorities/approval for giving effect to the Amalgamation of PPPL with and into AML.
- This report sets out our recommendation of the share exchange ratio and discusses the methodologies and approaches considered in the computation of share exchange ratio.

Appointing Authority:

- We have been appointed by the Board of Directors of AML and PPPL to give our report on the share exchange ratio, that is to say, the number of equity shares/preference shares to be allotted by AML to the shareholders of PPPL on amalgamation of the company with and into AML.



(IV) Identity of the Valuer & Disclosure of Valuer Interest

Identity of Valuer:

- I am a Registered Valuer registered with Insolvency and Bankruptcy Board of India for the asset class of Securities or Financial Assets. My registration no. is IBBI/RV/06/2019/11598.
- I am also a practicing Chartered Accountant and a member of The Institute of Chartered Accountants of India with Membership no.127504.

Involvement of other Experts:

- There are no other experts involved in this valuation exercise.

Disclosure of Valuer Interest:

- In past, for following professional assignments for AML, I was directly or indirectly involved:
 - A firm of Chartered Accountants in which I (Krunal Manojbhai Sheth) was a partner had done valuation of equity shares of AML (at that time name of the company was Amol Dicalite Limited) at the behest of their Indian Promoters for the purpose of acquiring equity shares from the foreign promoters.
 - A firm of Chartered Accountants in which I (Krunal Manojbhai Sheth) was a partner had done valuation of equity shares of AML (at that time name of the company was Amol Dicalite Limited) at the behest of their Indian Promoters for the purpose of acquiring equity shares from the foreign promoters as well as some inter se transfer amongst the Indian Promoters.
- However, we hereby confirm that there exists no Conflict of Interest with appointing authority or any other person which would affect our conclusion on valuation.

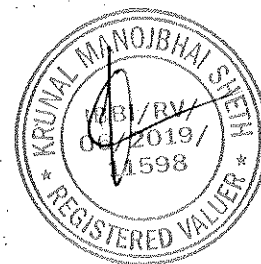
(V) Date of Appointment, Valuation Date & Date of Report

Date of Appointment:

- We have been appointed vide appointment letters dated 12th December 2019.

Valuation Date & Date of Report:

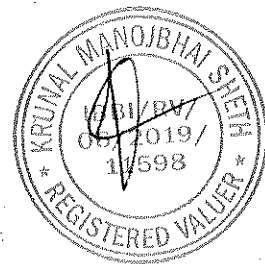
- December 31, 2019 has been considered as date of valuation and date of this report has been mentioned at the end.



(VI) Nature & Sources of Information used and relied upon

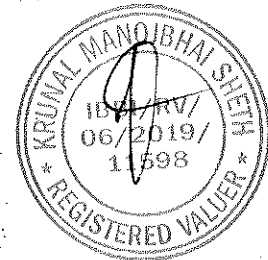
Sources of Information:

- For the purpose of assignment, we have relied broadly upon the following information made available to us by AML and PPPL (herein after collectively referred to as 'Companies'):
 - Memorandum and Articles of Association of the companies
 - Audited Financial Statement of AML and PPPL for the period for Financial Year 2016-17, 2017-18 & 2018-19.
 - Audited Financials for the period 1st April 2019 to 31st December 2019 of AML and PPPL.
 - Estimated Financials of the companies for the Financial Year 2019-20.
 - Financial projections of AML from FY 2020-21 to FY 2023-24.
 - Financial Projections of PPPL from FY 2020-21 to FY 2024-25.
 - Details about the market value of the assets wherever required.
 - Other relevant details such as its history, present activities, and other relevant information as required from time to time from management of the companies as well as from public domain.
 - Other relevant information and explanations (including verbal) received from the executives of the companies from time to time.
- We have also obtained other required information from their website <http://www.amolminechem.com/> for AML and <http://www.perlcon.com/> for PPPL and other public domain which includes unless otherwise mentioned various sources.



(VII) Procedure adopted in valuation & Valuation approach

- The objective and purpose of the valuation has been stated in Section III of this Report. The Valuation exercise has been carried out bearing in mind the said purpose.
- The principles, concepts and methods on the basis of which determination of the business valuation is done are briefly discussed hereunder.
- Basis of Valuation vary from asset to asset and the uncertainty associated with the value estimates is different for different assets. Valuation is not an exact science. It is not an algebraic problem which can be solved by an abstract formula. It is quite true in all valuations, judicial or otherwise, there must be room for inferences and indications of opinion which being more or less conjectural, all difficult to reduce to exact reasoning or to explain to others. However, the core principles remain the same.
- An important concept of valuation of Financial Instruments/Business is that of the "willing buyer and willing seller". Fair market value can be defined as the price which would be arrived at under the conditions obtaining as a result of negotiations between a willing and informed buyer and a willing and informed seller. The value at which the Business would be sold or bought under forced circumstances might differ from its fair value. As stated by Adamson in his book "The valuation of Company shares and business", what should be remembered by valuers is that both the hypothetical buyer and the hypothetical seller should be willing, but neither should be anxious. It is not sufficient to rely only upon a buyer's maximum price, nor only upon a seller's minimum price. The valuer must consider both buyer and seller and must Endeavour to determine where their ideas should meet.
- The valuation exercise has been carried out on the basis of ICAI Valuation Standards 2018 and internationally accepted valuation standards. Relevant key aspects of the Valuation Standards have been highlighted hereunder.
- *Standard Approaches & Methods commonly used in valuation are as follows:*
 - Market Based Approach/Relative Valuation Approach:
 - Comparable Company Multiple method / Guideline Public Company Method
 - Comparable Transaction Multiple Method/ Guideline Transaction Method
 - Market Price method
 - Income Based Approach:
 - Discounted cash flow valuation method (DCF)
 - Cost Approach:
 - Replacement Cost Method
 - Reproduction Cost Method



➤ *As per ICAI Valuation Standard-103*

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

Comparable Companies Multiple Method, also known as Guideline Public Company Method, involves valuing an asset based on market multiples derived from prices of market comparables traded on active market.

➤ *Also as per IVS-105 - The guideline publicly traded method utilises information on publicly-traded comparables that are the same or similar to the subject asset to arrive at an indication of value.*

➤ Under Guideline Public Company method, valuation is done based on certain multiples (such as Sales, Profits, Book Value etc.) of the publicly listed companies which are in similar business/industry and comparable on parameters like business model, products, sales, geography, size etc. The Guideline Public Company Method (GPCM) is founded on the concept that companies within similar industries or similar positions within their industries will have similar valuations or characteristics upon which a valuation can be based – whether that company is public or private. It is vital to understand the subject company's market, product lines and several other aspects to identify comparable public companies.

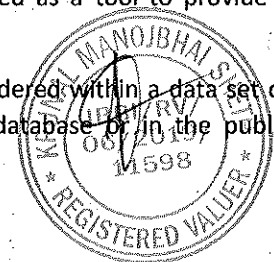
The method should be used only when the subject asset is sufficiently similar to the publicly-traded comparable to allow for meaningful comparison. In our analysis, there are no comparable publicly listed companies to AML & PPPL which can be used as a basis for valuation of the companies and hence we have not used this method for valuation of the companies.

➤ *ICAI Valuation Standard 103 - Comparable Transaction Multiple Method, also known as 'Guideline Transaction Method' involves valuing an asset based on transaction multiples derived from prices paid in transactions of asset to be valued /market comparable (comparable transactions).*

➤ *As per IVS-105 - The comparable transactions method, also known as the guideline transaction method, utilises information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value.*

➤ Guideline Transaction Method (GTM) entails valuation based on market multiples determined by reviewing published data regarding actual transactions in either publicly traded or closely held companies similar in terms of several parameters such as industry, product lines, market, growth, margins and risk. The Guideline Transactions Method is founded on the concept that detailed private company financial data is unlikely to be available but transaction value does become available, and, on such occasion, that valuation can be used as a tool to provide a valuation for other similar companies.

A main challenge in determining whether a transaction can be considered within a data set of comparable is the lack of information often present in research database of the public

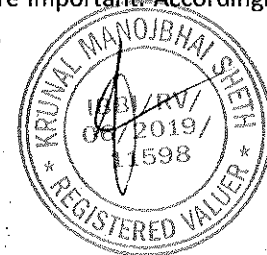


spectrum. Further each deal would be unique and involves many parameters applicable to the particular company being valued and/or particular transaction. Hence unless a transaction comparable in majority aspects to the business/company being valued and the details in relation to the same are available, use of this method is not advisable.

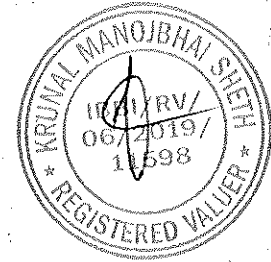
In our analysis, there are no comparable transactions which can be used as a basis for valuation of AML & PPPL and hence we have not used this method for valuation of the companies.

- The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in.
- AML is an unlisted public company & PPPL is a privately-held company. The equity shares are not traded on any recognized stock exchange. Hence, the Market price method is not considered for valuation of the companies.
- *As per ICAI Valuation standard 103 - Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalised) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.*
- *This approach involves discounting future amounts (cash flows/income/cost savings) to a single present value.*
- *The following are some of the instances where a valuer may apply the income approach:*
 - (a) where the asset does not have any market comparable or comparable transaction;*
 - (b) where the asset has fewer relevant market comparable; or*
 - c) where the asset is an income producing asset for which the future cash flows are available and can reasonably be projected*
- While arriving at fair value of shares, due consideration is also to be given to the potential earning capacity. Hence the projected working results i.e. what the business is capable of earning in the near future, are considered appropriate with emphasis on the DCF method which is a more scientific and an accepted method of evaluating the value of an undertaking. For valuation of both AML and PPPL, we have considered DCF method.
- The cost approach provides an indication of value using the economic principle that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction, unless undue time, inconvenience, risk or other factors are involved.

Considering the above aspects, we have done valuation of AML and PPPL on the basis of Going Concern wherein Income approach of valuation is considered more important. Accordingly, we have not considered Cost Approach for valuation of AML and PPPL.



- Considering the above aspects and summarizing the matter,
 - We have used Discounted Cash Flow Valuation under Income approach for valuation of equity shares of AML and PPPL.
 - For valuation of Preference Shares issued by PPPL, we have considered income approach.
- Aspects related to valuation of the companies have been described in the next section.



(VIII) Valuation Computation

Aspects related to valuation computation of all the companies have been discussed hereunder:

1) Amol Minechem Limited

- To arrive at the fair value per equity share of AML, we have used Discounted Cash Flow Valuation (DCF) method.

➤ Discounted Cash Flow Valuation (DCF)

- The Discounted Free Cash Flows method is one of the most rigorous approaches for valuation of a business/asset/equity. In this method, the projected free cash flows from business operations are discounted at the weighted average cost of capital and sum of such discounted free cash flows is the value of the business. In case of valuation of equity, projected free cash flows to equity are discounted at the cost of equity to arrive at the value of equity.

- Using the Discounted Free Cash Flows method involves determining the following:

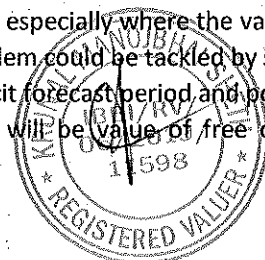
- Estimating future free cash flows,
- The time frame of the cash flows i.e. the explicit forecast Period,
- Appropriate Discount rate to be applied to cash flows
- The continuing value i.e. the cumulative value of the free cash flows beyond the explicit forecast period which is also known as Terminal Value
- Value of cash and cash equivalents and Surplus Assets

- Free Cash Flows to the Firm (FCFF)

FCFF are the cash flows expected to be generated by the Company that are available to providers of the Capital to the Company (Debt as well as Equity). FCFF is determined by multiplying (1-tax rate) to Earnings before interest and tax (EBIT) to obtain NOPAT, to which any non cash expenses like Depreciation and amortization are added back. The above is adjusted for (i) change in working capital requirements (ii) investments in capital expenditure and other assets as well as (iii) change in non-current assets and liabilities. Free cash flows thus calculated will be equal to the sum of the cash flows available to both Debt providers and Equity Shareholders.

- Time Frame of Cash Flows

A problem faced in valuing a business is its indefinite life, especially where the valuation, as in the present case, is on a going concern basis. This problem could be tackled by separating the value of the business into two-time periods viz. explicit forecast period and post explicit forecast period. In such a case, the value of business will be value of free cash flows



generated during the explicit forecast period and value of free cash flows generated during the post explicit forecast period. While projected free cash flows of the explicit forecast period could be estimated on the basis of business plan, the free cash flows of the post explicit forecast period could be estimated using an appropriate method. In the present case, we have been furnished with the projections for a period of 5 years from FY 2019-20 to FY 2023-24, which constitutes the explicit forecast period.

For calculation of Terminal Value, a very common assumption is that the cash flow would grow in perpetuity at a rate of long-term GDP growth of the country. In our opinion, long term GDP growth that can be considered for the present valuation is 5%. The Revenue growth in the last projected year of 2023-24 is 12.54% and we have assumed such growth to come down to 5% over a period of 3 years (FY 2024-25 to FY 2026-27) after which such cash flow would grow at 5% in perpetuity and hence the same can be considered for calculation of terminal value. During this period of extension, we have assumed that EBITDA margin, depreciation, tax rate and net working capital to sales ratio of FY 2023-24 would be the same. We have further assumed that company would be making maintenance capex equivalent to amount of depreciation for each of such extension year. Accordingly, we have considered the explicit forecast period of FY 2019-20 to FY 2026-27.

- Appropriate Discounting Rate i.e. Weighted Average Cost of Capital.

The weighted average cost of capital (WACC) is the average rate that a company is expected to pay to all its capital providers (equity, preference, debt) to finance its assets. The WACC is the minimum return that a company must earn on an existing asset base to satisfy its creditors, owners, and other providers of capital. Broadly speaking, a company's assets are financed by either debt or equity. WACC is the average of the costs of these sources of financing, each of which is weighted by its respective use in the given situation. It is calculated by following formula:

$$WACC (\%) = \text{Cost of Equity } (K_e) * \text{Weight of Equity in total capital } (W_e) (+) \text{ Cost of Debt } (K_d) * (1 - \text{tax rate}) * \text{Weight of Debt in total capital } (W_d)$$

- Cost of Equity

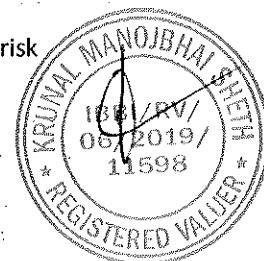
- The cost of equity has been determined using the Capital Assets Pricing Model. For this purpose, the formula used is as under:
- $CAPM (K_e) = R_f + \beta (R_m - R_f)$
- Where:

CAPM (Ke) = Discount rate derived from Capital Assets Pricing Model

Rf = Risk free rate of return

β = Beta factor as a measure of the systematic risk

Rm = Representative Market Return



$$(R_m - R_f) = \text{Equity Market premium (ERP)}$$

- Capital–Asset Pricing Model (CAPM) describes the relationship between systematic risk and expected return for assets, particularly stocks. CAPM is widely used throughout finance for pricing risky securities and generating expected returns for assets given the risk of those assets and cost of capital. (source :Investopedia)

- Risk Free Rate

The risk-free rate is generally based on the returns available from long-term Government Bonds and securities. These returns are used since they represent a very low default risk, are liquid (freely tradable) and include the expected long-term inflation premium. Based on current yield of various top traded long-term government securities, risk free rate has been considered as 6.55% in the present case.

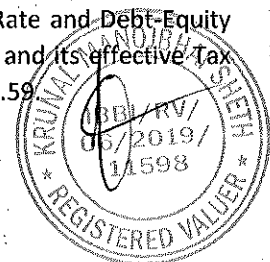
- Equity Risk Premium

The Equity Risk Premium (ERP) is the additional amount of return over the risk-free rate that is required to compensate the investor for the additional risk of investing in the equity. It is typically measured by the amount by which historical returns in the equity security markets, over a long period of time, have exceeded the returns from risk free investments. Such historical return from investment in the equity markets – which is the sum of return by way of capital appreciation and return by way of dividend yield – is the market return. We have considered market return as average of last 15 year return from BSE Sensex and NSE Nifty. The average of BSE & NSE returns works out to 11.49% which we have considered as Market Return (R_m).

- Beta(B) Beta

Systematic risk is measured in the CAPM by a factor known as beta. The computation of the same has been arrived at as follows:

We have used database available on website of Mr Ashwath Damodaran who is world renowned, work as a professor at New York University and considered to be an authority on the subject of financial valuation. On the basis of product portfolio of AML and as discussed with management, company can be classified into Basic Chemical Industry. Industry wise beta of Indian listed companies are available on the website of Mr Damodaran. From the same we have considered Unlevered Cash Beta of Chemical (Basic) Industry which is calculated on the basis of beta of one hundred and twenty three listed companies in India. This Unlevered Beta is Relevered back using the Effective tax Rate and Debt-Equity ratio of the Company. The company has Short Term Debt and its effective Tax Rate is 27.82%. Based on above calculation beta comes to 0.59



- Based on this, the equity risk premium adjusted for Industry Risk, works out to 2.92%.

○ Size Premium

Under the CAPM, Equity risk premium is derived based on the large cap companies. Hence it represents risk premium for investment in large cap companies wherein generally risks are comparatively lower than the small cap companies. When we are valuing a small company, we need to factor in size premium which compensates the investor for investing in small cap companies. Generally, there are no standards available in the market for the size premium. Considering the facts of the current case we have considered 4% size premium for AML.

○ Company Specific Risk Premium

Company Specific Risk Premium (CSRP) is the risk unique to the company. Hence to compensate the investor for this aspect, we have considered 4% premium towards CSRP.

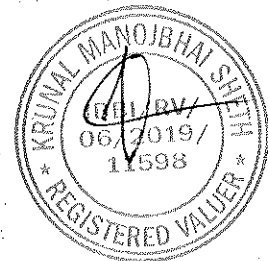
○ Cost of Equity

- Summarizing the above aspects, Cost of Equity has been considered as 17.47%.

Calculation of Cost of Equity (Ke)	
Rf	6.55%
Rm	11.49%
Equity Risk Premium (Rm-Rf)	4.94%
Beta	0.59
Market Risk Premium adjusted for industry Risk	2.92%
Size Premium	4.00%
Company Specific Risk Premium	4.00%
Ke	17.47%

Weighted Average Cost of Capital (WACC)

- The Company has a short Term Debt in form of Cash Credit Facility which has an annual interest of 10.45%. Thus the Cost of Debt (Kd) is considered to be 10.45%.
- Thus, Weighted Average Cost of Capital fluctuates as the Proportion of Debt and Equity changes. From FY 2023-24 onwards, the WACC is assumed to be stable at 17.25%.



WACC CALCULATION	2019-20	2020-21	2021-22	2022-23	2023-24
Cost of Equity Capital	17.47%	17.47%	17.47%	17.47%	17.47%
Cost of Debt	10.45%	10.45%	10.45%	10.45%	10.45%
Tax Rate	27.82%	27.82%	27.82%	27.82%	27.82%
Weight of Equity	97.87%	97.12%	97.37%	97.60%	97.81%
Weight of Debt	2.13%	2.88%	2.63%	2.40%	2.19%
WACC	17.26%	17.18%	17.21%	17.23%	17.25%

o **Terminal Value**

The terminal value of an ongoing business could best be determined as present value of estimated future free cash flows in order to obviate the need to forecast the Company's cash flows in detail for an indefinite period. On this basis, the calculation of the terminal value may be made by capitalizing the free cash flows of the terminal year with Weighted Average Cost of Capital, adjusted for the future expected growth ("g"). In our opinion, long term growth rate for AML to be taken at 5% which can be assumed to be a long term rate at which GDP of India would grow. FCFF at the end of explicit forecast period which is FY 2026-27 is considered for calculation of terminal value. Other aspects in this regard have been described above under the heading of explicit forecast period.

o **Valuation**

Considering the above calculation aspects, the Free Cash Flow to the Firm is discounted back at WACC and present value of Terminal Value is added to arrive at the Enterprise Value of the company.

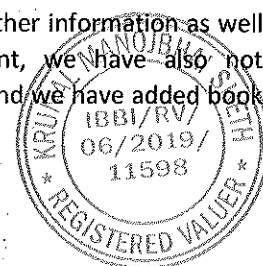
o **Debt**

Value of Book Debts as on 31.12.2019 is to be Deducted from Enterprise Value. The Balance of Short-Term Debt (i.e. Cash Credit Limit Utilization) is 93.78 Lakhs as on 31.12.2019 and the same has been deducted from Enterprise value to arrive at the equity value.

o **Investment in Subsidiaries**

Company has made equity investment in two foreign subsidiaries namely i) Amol Cryogenic Insulation (USA) Inc. and ii) Amol Cryogenic Insulation Limited, UAE. We have been informed by the management that both subsidiaries are not having any operations. Company has also provided 100% diminution in the value of its equity investment in Amol Cryogenic Insulation (USA) Inc.

For the purpose of present valuation and in absence of any further information as well as management view about realizability of such investment, we have also not considered any value for Amol Cryogenic Insulation (USA) Inc. and we have added book



value as on December 31, 2019 of equity investment in Amol Cryogenic Insulation Limited, UAE to the equity value arrived with the use of DCF method.

○ **Other Non-current Investment**

Company has made investment into equity shares of Gujarat Synthwood Limited. Company has impaired this investment fully. With no further information available and in light of the fact that company has impaired this investment fully, we have not considered any value for the said investment in the present valuation.

Company has also made investment in certain quoted equity shares, fair value of which as on December 31, 2019 is INR 1.42 Lakh and we have added the same to equity value arrived with the use of DCF.

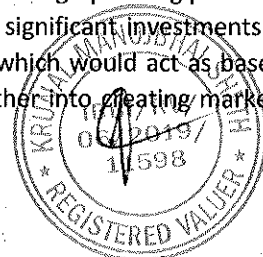
- The value of Cash & Cash Equivalents as on 31.12.2019 is added to equity value arrived with the use of DCF.
- Further, with a conservative approach of considering the probability of contingent liabilities materializing in future, we have deducted provision equivalent to 25% of contingent liability as on 31st December 2019.
- As AML is an unlisted company, further discount on account of lack of marketability and liquidity has to be provided. Effect of lack of marketability or illiquidity on value can be determined using three different approaches. The first is to value an asset or business as if it were a liquid investment, and then to apply an illiquidity discount to that value. The second is to adjust the discount rate used in a discounted cash flow valuation for the illiquidity of the asset; more illiquid assets will have higher discount rates. The third is through relative valuation, by valuing an asset based on how assets of similar liquidity have been priced in transactions. In present valuation exercise, we have considered the first approach. Certain recent studies have found discounts around 15-25%.

AML is an unlisted company and therefore considering the lack of marketability and liquidity of its shares, discount rate of 20% has been considered by us. As informed to us, promoters of AML are currently purchasing equity shares from non-promoter category of shareholders and this fact has been considered while considering discount on lack of marketability and liquidity.

- ***Accordingly, equity value of AML works out to be INR 3218.23 Lakhs (Rs.Three Thousand Two hundred eighteen Lakh approx.) And per equity share value works out to be INR 474.91/-(Rs. Four Hundred Seventy Four and Ninety One Paise only).***

2) **Perlcon Premix Private Limited**

- To arrive at the fair value per equity share of PPPL, we have used Discounted Cash Flow Valuation (DCF). PPPL in last 8 years has made significant investment in technology, manufacturing and marketing infrastructure etc. PPPL is also making operating profit from last several years. Management believes that PPPL has made significant investments and efforts in creating both tangible and intangible infrastructure which would act as base for the future business growth. Management plans to invest further into creating marketing



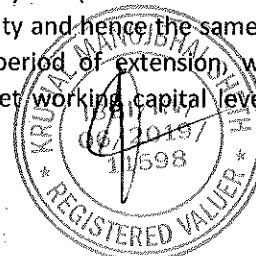
network and manufacturing relationships in various regions of the country so that they can achieve higher growth. Management believes that there is a huge and underpenetrated market where products of the company can be sold. Considering all these aspects, in our opinion, valuation of companies like PPPL can be best captured through DCF method wherein major valuation is lying in future potential of the company. Hence for equity valuation of PPPL we have used DCF method.

Discounted Cash Flow Valuation (DCF)

- Management of PPPL has provided us a business plan wherein they have worked out sales projections and various strategies and action plan to achieve the same for the projected period. Management has planned to undertake various marketing and product launch activities, to hire new marketing staff to cater to various regions of India and accordingly sales growth has been projected which is considerably higher than past years. In our opinion, the said sales projections are quite aggressive and as a valuer we have used a conservative approach. For the same, we have made following changes to the sales projection and related expenses as made by the management.
 - We have considered 70% of the sales of manufacturing product as projected by management.
 - Management has projected quite aggressive growth for trading sales as well. Considering the fact that trading business generally has lower entry barrier, we are not comfortable with such aggressive projections for trading sales. Hence for FY 2020-21, we have considered 50% of the trading sales as projected by management. We have further reduced the same by 2.5% per annum for the entire projected period so as to consider 40% of the projected sales in FY 2024-25. We have also considered reduced gross margin on such trading sales than as considered by management.
 - Management has also projected significant cost for the marketing activities. As we have reduced the sales projections, we have also reduced such expenses to 70% of the projections made by management.

Key aspects of DCF valuation have already been highlighted above in valuation description of AML and the same holds true for valuation of PPPL as well. Factors specific to valuation of PPPL have been highlighted here under:

- Time Frame of Cash Flows: In case of PPPL, we have been furnished with the projections for a period of 6 years from FY 2019-20 to FY 2024-25, which constitutes the explicit forecast period. The Revenue growth in the last projected year of 2024-25 is 22.69% and we have assumed such growth to come down to 5% over a period of 2 years (FY 2025-26 to FY 2026-27) after which such cash flow would grow at 5% in perpetuity and hence the same can be considered for calculation of terminal value. During this period of extension, we have assumed that EBITDA margin, depreciation, tax rate and net working capital level of FY



2024-25 would be the same. We have further assumed that company would be making maintenance Capex equivalent to amount of depreciation for each of such extension year.

Accordingly, we have considered the explicit forecast period of FY 2019-20 to FY 2026-27.

- Appropriate Discounting Rate i.e. Weighted Average Cost of Capital:

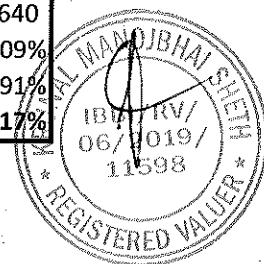
We have used database available on website of Mr Ashwath Damodaran. On the basis of product portfolio of PPPL and as discussed with management, company can be classified into Building Material Industry. Industry wise beta of Indian listed companies are available on the website of Mr Damodaran. From the same we have considered Unlevered Cash Beta of Building Material Industry which is calculated on the basis of beta of forty listed companies in India. This Unlevered Beta is Relevered back using the Effective tax Rate and Debt-Equity ratio of the Industry (taken from website of Mr Damodaran) as PPPL has negative net-worth and it is assumed that PPPL will reach to industry debt-equity ratio in long term. PPPL has Long and Short Term Debt and its effective Tax Rate is 26.00%. Based on above calculation beta comes to 0.76.

- Size Premium: The Size Premium for PPPL is considered to be 6%.
- Company Specific Risk Premium: The CSRP of PPPL is considered to be 7%. Thus the Cost of Equity (Ke) of PPPL is 23.31%.

Calculation of Cost of Equity (Ke)	
Rf	6.55%
Rm	11.49%
Equity Risk Premium (Rm-Rf)	4.94%
Beta	0.76
Market Risk Premium adjusted for industry Risk	3.76%
Size Premium	6.00%
Company Specific Risk Premium	7.00%
Ke	23.31%

- PPPL's weighted average cost of debt is 11.01% p.a. Hence Cost of Debt (Kd) is considered the same. Considering the Industry Debt-Equity Ratio as Weights the WACC of PPPL is 21.17%.

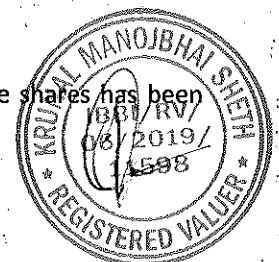
WACC	
Ke	23.31%
Kd	11.01%
Tax rate	26.00%
D/E	0.1640
Proportion of Debt	14.09%
Proportion of Equity	85.91%
WACC	21.17%



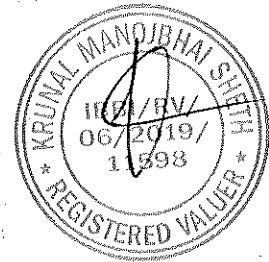
- Valuation: On discounting the FCFF of PPPL at WACC, the Enterprise Value comes to INR 2258.86 Lakh.
- The Book Value of Total Debt Outstanding as at 31st December, 2019 is deducted from this value and amount of cash and cash equivalent as on 31st December, 2019 is added.
- In the year 2017, PPPL had issued 4% Redeemable Non-Cumulative preference shares with original tenure of 20 years which are outstanding on the date of valuation. The same would be due for redemption in the year 2037. Face value of such preference shares is INR 1,000.00 Lakh. Further, we have been informed by the management of PPPL that, in the proposed merger scheme, preference shareholders will be converted into equity shares of AML, both at fair value. For this purpose, we have to work out fair value of preference shares of PPPL as well. The same has been arrived at as under:
 - Preferred shares have the qualities of a stock and a bond, which makes valuation a little different than a common share.
 - So as to arrive at the Fair Value of preference shares, the widely used method is to discount its future cash flow stream at the required rate of return.
 - For the present exercise, it would be rational to assume that management of PPPL would utilize any surplus funds available with it in repayment of its debt as PPPL has significant amount of outstanding debt. In such scenario, cost of such debt would act as proxy and can be considered as discounting rate for the purpose of preference share valuation.
 - Further, considering net losses in past years and probable utilization of future surplus for repayment of debt, we have assumed that PPPL would not pay any dividend on such preference shares.
 - Considering the above assumptions, we have discounted the redemption value of preference shares at the end of its tenure to the valuation date at weighted average cost of debt. Calculation summary is presented here under.

	(Amt in Lakhs)
Preference Shares	
Pref Shares Date of Issue	8-May-2017
Pref Shares Date of Redemption	8-May-2037
Date of Valuation	31-Dec-2019
No of years to Redemption from Valuation Date	17.36
Average Cost of Debt	11.01%
Discounting Factor	0.16
Pref Shares Value	163.07

- Accordingly, INR 163.07 Lac which is the fair value of preference shares has been reduced from the enterprise value to arrive at the equity value.



- Accordingly, INR 163.07 Lac which is the fair value of preference shares has been reduced from the enterprise value to arrive at the equity value.
- **Accordingly, equity value of PPPL works out to be INR 675.52 Lakh.**
- PPPL has no contingent Liability as on 31st December 2019 and thus requires no provision to be made.
- PPPL is an unlisted company and therefore considering the lack of marketability and liquidity of its shares, discount rate of 25% has been considered by us.
- **Considering all the aspects as stated above, equity value of PPPL works out to be INR 506.64 Lakh (Rs. Five Hundred and Six Lakh Approx.) and per equity share value works out to be INR 506.64/- (Rs. Five Hundred Six and Sixty Four Paise only)**

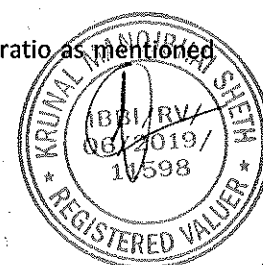


(IX) Conclusion:

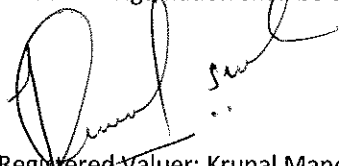
- It would be in the light of the aforesaid, and after taking into consideration the principles of valuation as propounded by various authorities, that one would have to consider the Equity Valuation of Entities.
- In the ultimate analysis, valuation will have to be tempered by the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. quality and integrity of the Management, present and prospective competition, yield on comparable securities and market sentiment etc. which are not evident from the face of the Balance Sheets but will strongly influence the worth of a business.
- On a consideration of all the above factors and issues, in our opinion, the proposed Exchange Ratio is as under:

Sr No	Name of company	Fair Value per Share	Proposed Exchange Ratio
1	Amol Minechem Limited (AML)	INR 474.91 per Equity Share	Being Amalgamated Company - Not Applicable.
2	Equity Shares of Perlcon Premix Private Limited (PPPL)	INR 506.64 per Equity Share	107 fully paid equity shares of AML with face value of INR 10.00 each to be issued at par against 100 equity shares of PPPL with face value of INR.100.00 each.
3	Preference Shares of Perlcon Premix Private Limited (PPPL)	INR 16.31 per Preference Share	1 fully paid equity share of AML with face value of INR 10.00 each to be issued at par against 29 fully paid preference shares of PPPL with face value of INR.100.00 each.

- Considering the above facts and issues, in our opinion proposed exchange ratio as mentioned above is fair and reasonable.



- Consideration for fractional entitlement if any arising on issue of equity / preference shares pursuant to amalgamation shall be according to the amalgamation scheme of the company.



Name of Registered Valuer: Krunal Manojbhai Sheth

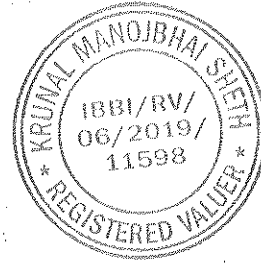
IBBI Reg No: IBBI/RV/06/2019/11598

ICAI Membership No. 127504

UDIN: 20127504AAAAAA2461

Place: Ahmedabad

Date: 4th March, 2020

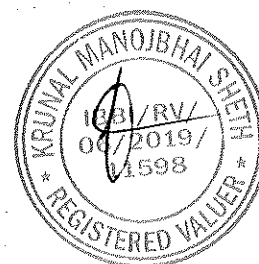


Annexure 1 - Valuation Summary of AML

(Amt in Lakh)

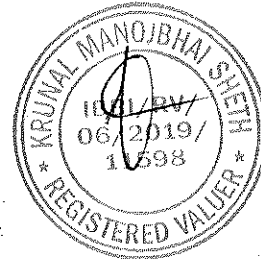
Amol Minechem Ltd	3M 2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Particular	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Revenue from Operations	456.23	3,548.26	4,046.43	4,493.70	5,057.22	5,590.26	6,067.68	6,371.06
Revenue Growth		677.74%	14.04%	11.05%	12.54%	10.54%	8.54%	5.00%
EBITDA	140.11	671.89	749.03	808.49	890.87	984.76	1,068.87	1,122.31
EBITDA Margin	30.71%	18.94%	18.51%	17.99%	17.62%	17.62%	17.62%	17.62%
EBIT	130.44	629.20	702.17	759.58	843.58	937.48	1,021.58	1,075.02
EBIT Margin	29%	18%	17%	16.90%	16.68%	16.77%	16.84%	16.87%
Less: Tax	60.98	168.18	189.16	207.35	231.24	260.81	284.20	299.07
	46.74%	26.73%	26.94%	27.30%	27.41%	27.41%	27.41%	27.41%
NOPAT	69.47	461.02	513.01	552.23	612.34	676.67	737.38	775.95
Adjustments:								
Add:-Other comprehensive Income	3.49	-	-	-	-	-	-	-
Add: Depreciation and Amortisation	9.67	42.69	46.86	48.91	47.29	47.29	47.29	47.29
Less / (Add): (Increase) / Decrease in Working Capital	199.15	(127.75)	(108.00)	(101.87)	(122.96)	(141.64)	(126.86)	(80.61)
Less: Capex	-	(100.00)	(100.00)	(50.00)	(50.00)	(47.29)	(47.29)	(47.29)
Add: Change in Non-Current Assets & Liabilities	1.71	3.70	4.12	4.45	4.91	-	-	-
Free Cash Flow to Firm	283.49	279.67	355.99	453.73	491.58	535.03	610.52	695.34

	Rate							
Discount Rate		17.26%	17.18%	17.21%	17.23%	17.25%	17.25%	17.25%
Mid-Year Convention Period		0.125	0.75	1.75	2.75	3.75	4.75	6.75
PVF		0.98	0.89	0.76	0.65	0.55	0.47	0.34
PV of FCFF		277.90	248.27	269.66	293.21	270.96	251.53	244.79
Terminal Year Cash Flows and Long Term Growth Rate	5.00%							5,960.22
Present Value of FCFF		2,094.10	INR					
PV of Terminal Cash Flows		2,038.17	INR					
PV of Total Cash Flows		4,132.27	INR					
Add: Net Cash and Cash Equivalents, as on December 31st, 2019		6.17	INR					
Add:-Market Value of Investment in Quoted Shares		1.42	INR					
Add:- Book Value of Investment in Subsidiary		4.64	INR					
Less: Total Debt		93.79	INR					
Equity Value		4,050.71	INR					
Less: Discount on Lack of Marketability & Liquidity	20%	810.14	INR					
Less: Contingent Liabilities	25%	22.34	INR					
Net Equity Value		3,218.23	INR					
Number of shares		6.78						
Value per share		474.91	INR					



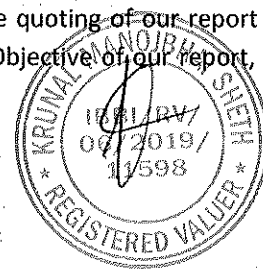
Annexure 2 –DCF Valuation of PPPL

		<i>INR Lakh</i>							
PERLCON PREMIX PRIVATE LIMITED		3M 2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Particulars		Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Revenue from Operations Excl Other Income		146.00	1,051.50	1,646.65	2,297.90	2,923.43	3,586.70	3,945.37	4,142.64
Growth %			620.21%	56.60%	39.55%	27.22%	22.69%	10.00%	5.00%
EBITDA		44.09	69.54	259.77	447.05	613.01	855.89	941.48	988.56
EBITDA Margin		30.20%	6.61%	15.78%	19.45%	20.97%	23.86%	23.86%	23.86%
Less: Depreciation and Amortisation		11.60	38.91	41.32	42.43	46.82	43.39	43.39	43.39
EBIT		32.49	30.63	218.45	404.63	566.18	812.50	898.09	945.16
EBIT Margin		22.25%	2.91%	13.27%	17.61%	19.37%	22.65%	22.76%	22.82%
Int		32.38	166.00	181.65	184.55	182.56	182.57	182.57	182.57
Tax on Int		8.42	7.96	47.23	47.98	47.47	47.47	47.47	47.47
Tax		-	-	-	-	4.38	105.15	186.03	198.27
Tax Rate		26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%
NOPAT		24.07	22.67	171.22	356.64	514.34	659.88	664.59	699.42
Adjustments:									
Add: Depreciation and Amortisation		11.60	38.91	41.32	42.43	46.82	43.39	43.39	43.39
Less / (Add): (Increase) / Decrease in Working Capital		33.92	(0.16)	(56.26)	(42.23)	(78.07)	(76.75)	(38.73)	(21.30)
Less: Change in Capex		-	-	(150.00)	(150.00)	(150.00)	-	(43.39)	(43.39)
Add: Change in Non-Current Assets & Liabilities		-	-	-	-	-	-	-	-
Free Cash Flow to Firm		69.59	61.42	6.28	206.84	333.09	626.52	625.86	678.12
Rate									
Mid-Year Convention Period		0.13	0.75	1.75	2.75	3.75	4.75	5.75	6.75
PVF & WACC Rate		21.17%	0.98	0.87	0.71	0.59	0.49	0.40	0.27
PV of FCFF		67.94	53.18	4.49	121.98	162.11	251.64	207.45	185.50
Terminal Year Cash Flows & Growth rate for Terminal Year		5.00%							4,402.85
Present Value of FCFF		1,054.28	INR						
PV of Terminal Cash Flows		1,204.40	INR						
PV of Total Cash Flows		2,258.68	INR						
Add: Net Cash and Cash Equivalents, as on 31 Dec 2019		11.39	INR						
Less: Total Debt		1,431.49	INR						
Less: Preference Share Capital		163.07	INR						
Equity Value		675.52	INR						
Less: Discount on Lack of Marketability & Liquidity		25.00%	168.88						
Net Equity Value		506.64							
No of Shares		1.00							
Value per Share		506.64							

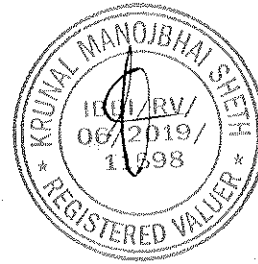


Scope Limitation

- Our report is subject to the scope and limitations detailed hereinafter. The report is to be read in entirety, not in parts and in conjunction with relevant documents referred to therein.
- Our work does not constitute an audit or certification or due diligence of the past working results of AML and/or PPPL (herein after collectively referred to as 'Companies') and we have relied upon the information provided to us by the companies.
- This report is issued on the understanding that companies has drawn our attention to all the matters relevant for the purpose of quantification of amount of losses as on date of this report which would have an impact on our valuation.
- The working results and other relevant details, which are used in this exercise, have been furnished to us by companies and we have believed the same to be true. We have neither prepared nor been involved in preparation or validation of the same.
- Details about market value of the assets wherever required, have been furnished to us by Companies. We have not undertaken any verification/assessment of such values. The said market values have been considered for the purpose of valuation as given by companies. We have also not undertaken any physical verification and ownership claims of the said assets.
- We have not carried out any physical verification of the assets and liabilities.
- We have taken into consideration the financials and other details as furnished to us and accordingly we have not taken into consideration the events and happenings occurring after that date for the purpose of the present valuation and take no responsibility for the possible impact of such events and happenings on the value of the business of the companies other than those as specifically referred to in this report. However, we have been informed that there have been no significant events or happenings between the valuation date in question and up to the date of this report, which would have any material impact on the present Valuation, save and otherwise referred to specifically and/or dealt with elsewhere in this report.
- The information contained in our report is confidential and is intended solely for the reason and purpose as stated in the Objective of this report. We are not responsible to any other person / party or for any decision of such person / party based on this report.
- Our report is not, nor should it be construed as our Opinion or Certifying the compliance with the proposed amalgamation with the provisions of the law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed amalgamation.
- This report is prepared only in connection with the proposed Amalgamation and exclusively for the use of the companies and for submission to any regulatory / statutory authority as may be required under any law.
- It is hereby notified that any reproduction, copying or otherwise quoting of our report or any part thereof for any purpose other than the purpose stated in Objective of our report, can be done only with our prior permission in writing.



- We have relied on the judgment made by the Management and, accordingly, our valuation does not consider the assumption of contingent liabilities materializing (other than those specified by the Management and the Auditors). If there were any omissions, inaccuracies or misrepresentations in the information provided to us by the Management, then this may influence our valuation computations.
- No investigation of Companies claims to the 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 legal nature. The report is not, nor should it be construed, as our opining or certifying the compliance with the provisions of any law.
- Our valuation is based on the market conditions and the regulatory environment that currently exist. However, changes to the same in the future could impact the Companies and the industry they operate in, which may impact our valuation.
- We have no obligation to update this Report because of events or transactions occurring subsequent to the date of this Report. Our recommendation is dependent upon the information furnished to us being complete and accurate in all material respect.



Disclaimer

This report has been prepared by "Krunal Manojbhai Sheth, IBBI Registered Valuer for Securities or Financial Assets (hereinafter referred to as Registered Valuer)" on working out and/or certifying the fairness of exchange ratio with regard to issue of shares on account of amalgamation of PERLCON PREMIX PRIVATE LIMITED (hereinafter referred to as 'PPPL') with and into AMOL MINECHEM LIMITED (herein after referred to as AML). The sole purpose of this report is to provide Board of Directors of both the companies with independent assessment of the fairness of proposed Exchange Ratio in relation to the proposed Amalgamation scheme.

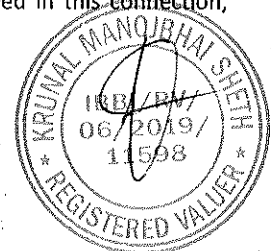
We have prepared this report, on the basis of information provided to us by the Board of Directors/Management of AML/PPPL as well as from some other sources identified herein. The Report is solely compiled as a confidential document and as a reference material for the purpose of deliberation by Board of Directors of AML and PPPL. Therefore, it is strictly confidential and should be circulated exclusively with the sanction of the Board of Directors of AML and PPPL. All the provisions hitherto laid down are equally applicable to all those third parties to whom this document is circulated with or without the permission of Board of Directors of AML/PPPL. The information contained in this Report has been structured to assist the Board in making their own evaluation of the valuation of AML and PPPL to arrive at the exchange ratio pursuant to the proposed Amalgamation of PPPL with and into AML. It does not purport to be all-inclusive or to contain all the information that may be material to the decision of the Board of AML and/or PPPL or of any prospective recipient for entering into a transaction involving AML and/or PPPL. The interested parties should conduct their own due diligence, examination, investigation and analysis of the business and operations of AML and/or PPPL. The information and data contained herein are not substitutes for any interested parties' independent evaluation and analysis. Registered Valuer has no obligation whatsoever, to provide the interested parties with access to any additional information or correct any inaccuracies herein that may become apparent. This Report may include certain statements on estimates/projections by Registered Valuer based with respect to the past and the anticipated future performance. Such statements, estimates and projections reflect various types of assumptions concerning the anticipated results and have been prepared by management of the company. No representations are made as to the total or partial accuracy of such estimates, statements and projections or with respect to any other material statements herein. Actual results may vary materially from the projected results contained herein.

Limitation of Liability

By accepting this Report, each recipient agrees that Registered Valuer shall not have any liability for any representation (express or implied) contained in it. Registered Valuer shall not have any liability for any omission in the Report or any written or oral communications transmitted to the recipient by or on behalf of the Registered Valuer, in the course of the recipient's evaluation of any transaction involving AML and/or PPPL. The information and data provided by AML and/or PPPL have not been independently verified by Registered Valuer, whilst all reasonable care has been taken to ensure that the facts stated in the document are accurate and the opinions given are fair and reasonable. Neither Registered Valuer, nor the officers /employees of Registered Valuer, shall in any way be responsible for the opinions stated herein.

Confidentiality

This Report is provided upon the express understanding that the information contained herein, or made available in connection with the proposed arrangement, is strictly confidential and is only intended for the exclusive use of the Board of Directors of AML and/or PPPL and/or such other recipient/s authorized by them. This Report shall not be photocopied, reproduced or distributed to others at any time without the prior written consent of Registered Valuer, or AML and/or PPPL. This Report shall remain at all times the property of Registered Valuer, AML and/or PPPL. It must be returned immediately along with any other informative material received in this connection, without retaining any copies thereof upon request or forthwith, for any reason whatsoever.





Amol Minechem Limited

(Formerly known as Amol Dicalite Limited)

Reg. Off.: 401, “Akshay”, 53, Shrimali Society, Navrangpura, Ahmedabad – 380009

Ph.: +91 79 40246246 | **Fax:** +91 79 26569103 | **CIN:** L14100GJ1979PLC003439

E-mail: info@amolminechem.com | **Web:** www.amolminechem.com

EXTRACT OF MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF AMOL MINECHEM LIMITED (FORMERLY KNOWN AS AMOL DICALITE LIMITED) HELD ON TUESDAY, 15TH DECEMBER, 2020 AT THE REGISTERED OFFICE OF THE COMPANY AT 11.00 A.M.

REPORT EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KMP:

“**RESOLVED THAT** pursuant to provisions of section 232(2) (c) of the Companies Act, 2013 and rules made thereunder and in terms of the Scheme of Amalgamation of Perlcon Premix Private Limited (‘Transferor Company’) with Amol Minechem Limited (‘Transferee Company’), the Board hereby adopts the report explaining effects of the Scheme on each class of shareholders (including promoter and non-promoter) and Key Managerial Personal laying out in particular the share exchange ratio and specifying valuation difficulties, if any as attached herewith.”

**CERTIFIED TRUE COPY,
For, Amol Minechem Limited**

**Sd/-
Shreyas Chinubhai Sheth
DIN: 00009350
Managing Director**



Amol Minechem Limited

(Formerly known as Amol Dicalite Limited)

Reg. Off.: 401, “Akshay”, 53, Shrimali Society, Navrangpura, Ahmedabad – 380009

Ph.: +91 79 40246246 | **Fax:** +91 79 26569103 | **CIN:** L14100GJ1979PLC003439

E-mail: info@amolminechem.com | **Web:** www.amolminechem.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF AMOL MINECHEM LIMITED (FORMERLY KNOWN AS AMOL DICALITE LIMITED) EXPLAINING EFFECT OF THE SCHEME ON SHARAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS.

1. Background

- 1.1. The Board of Directors ('Board') of Amol Minechem Limited ('Transferee Company') at its meeting held on 20th March, 2020 had approved the Scheme of Amalgamation of Perlcon Premix Private Limited ('Transferor Company') with Amol Minechem Limited ('Transferee Company') under section 230-232 of the Companies Act, 2013 ('the Act').
- 1.2. The Board was informed that the Company has filed the application with National Company Law Tribunal ('NCLT'), Ahmedabad for approval of the Scheme. In the application filed before the NCLT, the Company has requested NCLT shall order meeting of the Equity shareholders, Secured and Unsecured creditors of the Transferee Company, and the Transferee Company will, as part of the notice and explanatory statement for the said meetings be required to circulate a report adopted by the Board of the Company as prescribed under section 232(2)(c) of the Act explaining effect of Scheme on each class of shareholders, key managerial personnel (KMPs), promoters and non-promoter shareholders laying out in particular the share exchange ratio, specifying any valuation difficulties.
- 1.3. Having regard to the applicability of the aforesaid provision, the following documents were placed before the Board:
 - 1.3.1 Scheme as approved by the Board vide resolution dated 20th March, 2020
 - 1.3.2 Valuation Report dated 04/03/2020 prepared and issued by Mr. Krunal Sheth, a Registered Valuer.

2. Effect of the Scheme of Amalgamation on Shareholders (promoter shareholders and non-promoter shareholders) of Amol Minechem Limited:

- 2.1. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business of the Transferor Company shall be transferred to the Transferee Company.
- 2.2. As far as the Promoter and Non Promoter shareholders are concerned, there will be no dilution of their shareholding in the Company.

3. Effect of the Scheme of Amalgamation on Directors and KMPs of Amol Minechem Limited:

3.1 The Scheme is not expected to have any effect on the Directors of the Company. Further, no change in the Board of the Company is envisaged on account of the Scheme.

3.2 None of the directors, KMPs and their respective relatives have any interest in the Scheme except to the extent of the said director(s) are common director(s) of the Transferee Company and Transferor Company. Save as aforesaid, none of the directors or the KMP have material interest in the Scheme.

4 Valuation:

Mr. Krunal Sheth, a Registered Valuer have undertaken the valuation for the scheme and have recommended the fair value vide their Valuation Report dated 04/03/2020.

5 Share Exchange Ratio:

5.1 Upon the effectiveness of the Scheme, Transferee Company shall allot equity share based on the Share Exchange Ratio, as under and more particularly in the manner stipulated in Clause 9 of the Scheme, to the shareholders of the Transferor Company:

- a) "107 (One Hundred Seven) fully paid Equity shares of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 100 (One Hundred) fully paid Equity shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company."
- b) "1 (One) fully paid Equity shares of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 29 (Twenty Nine) fully paid Preference shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company."

Based on the above, in the opinion of the Board, Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable

For, Amol Minechem Limited

**Sd/-
Shreyas Chinubhai Sheth
DIN: 00009350
Managing Director**

PERLCON PREMIX PRIVATE LIMITED

(CIN: _ U24220GJ2010PTC061519)

**Registered office: 302, "Akshay", 53, Shrimali Society, Navrangpura Ahmedabad –
380 009 in the state of Gujarat**

Telephone: +91-079-26441404 Fax: +91 79 26569103

Website: www.perlcon.com Email id: info@perlcon.com

**EXTRACT OF MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF PERLCON
PREMIX PRIVATE LIMITED HELD ON TUESDAY, 15TH DECEMBER, 2020 AT THE
REGISTERED OFFICE OF THE COMPANY AT 11.30 A.M.**

**REPORT EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON
SHAREHOLDERS (PROMOTER AND NON-PROMOTER) AND KMP:**

“**RESOLVED THAT** pursuant to provisions of section 232(2) (c) of the Companies Act, 2013 and rules made thereunder and in terms of the Scheme of Amalgamation of Perlcon Premix Private Limited (‘Transferor Company’) with Amol Minechem Limited (‘Transferee Company’), the Board hereby adopts the report explaining effects of the Scheme on each class of shareholders (including promoter and non-promoter) and Key Managerial Personal laying out in particular the share exchange ratio and specifying valuation difficulties, if any as attached herewith.”

**CERTIFIED TRUE COPY,
For, PERLCON PREMIX PRIVATE LIMITED**

**Sd/-
SHREYAS CHINUBHAI SHETH
DIN: 00009350
DIRECTOR**

PERLCON PREMIX PRIVATE LIMITED

(CIN: _ U24220GJ2010PTC061519)

Registered office: 302, "Akshay", 53, Shrimali Society, Navrangpura Ahmedabad – 380 009 in the state of Gujarat

Telephone: +91-079-26441404 Fax: +91 79 26569103

Website: www.perlcon.com Email id: info@perlcon.com

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF PERLCON PREMIX PRIVATE LIMITED EXPLAINING EFFECT OF THE SCHEME ON SHARAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS.

1. Background

- 1.1. The Board of Directors ('Board') of Perlcon Premix Private Limited ('Transferor Company') at its meeting held on 20th March, 2020 had approved the Scheme of Amalgamation of Perlcon Premix Private Limited ('Transferor Company') with Amol Minechem Limited ('Transferee Company') under section 230-232 of the Companies Act, 2013 ('the Act').
- 1.2. The Board was informed that the Company has filed the application with National Company Law Tribunal ('NCLT'), Ahmedabad for approval of the Scheme. In the application filed before the NCLT, the Company has requested NCLT to dispense with the requirement of the meeting of its Preference shareholders as the Preference shareholders of the Company have approved the proposed Scheme of Amalgamation in form of the written consent letters. Further, the Company has also requested NCLT to allow it not to hold meeting of Secured creditors as there are no secured creditors in the Company. Further, the Company has requested NCLT shall order meeting of the Equity shareholders and Unsecured creditors of the Company, and the Company will, as part of the notice and explanatory statement for the said meetings be required to circulate a report adopted by the Board of the Company as prescribed under section 232(2)(c) of the Act explaining effect of Scheme on each class of shareholders, key managerial personnel (KMPs), promoters and non-promoter shareholders laying out in particular the share exchange ratio, specifying any valuation difficulties.
- 1.3. Having regard to the applicability of the aforesaid provision, the following documents were placed before the Board:
 - 1.3.1 Scheme as approved by the Board vide resolution dated 20th March, 2020
 - 1.3.2 Valuation Report dated 04/03/2020 prepared and issued by Mr. Krunal Sheth, a Registered Valuer.

2. Effect of the Scheme of Amalgamation on Shareholders (promoter shareholders and non-promoter shareholders):

- 2.1. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the entire business of the Transferor Company shall be transferred to the Transferee Company.

2.2. As far as the equity shareholders/ promoters are concerned, they will be allotted shares in the Transferee Company based on Share Exchange Ratio as determined in the Valuation Report.

3. Effect of the Scheme of on Amalgamation Directors and KMPs:

3.1 The Scheme is not expected to have any effect on the Directors of the Company. Further, no change in the Board of the Company is envisaged on account of the Scheme.

3.2 None of the directors, KMPs and their respective relatives have any interest in the Scheme except to the extent of the said director(s) are common director(s) of the Transferee Company and Transferor Company. Save as aforesaid, none of the directors or the KMP have material interest in the Scheme.

Further, upon the coming into effect of the Scheme, the Transferor Company shall, without any further act, instrument or deed, stand dissolved without following the process of Winding up.

4. Valuation:

Mr. Krunal Sheth, a Registered Valuer have undertaken the valuation for the scheme and have recommended the fair value vide their Valuation Report dated 04/03/2020.

5. Share Exchange Ratio:

5.1 Upon the effectiveness of the Scheme, Transferee Company shall allot equity share based on the Share Exchange Ratio, as under and more particularly in the manner stipulated in Clause 9 of the Scheme, to the shareholders of the Transferor Company:

- a) "107 (One Hundred Seven) fully paid Equity shares of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 100 (One Hundred) fully paid Equity shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company."
- b) "1 (One) fully paid Equity shares of Rs.10/- (Rupees Ten only) each of the Transferee Company for every 29 (Twenty Nine) fully paid Preference shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company."

Based on the above, in the opinion of the Board, Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable

For, PERLCON PREMIX PRIVATE LIMITED

**Sd/-
SHREYAS CHINUBHAI SHETH
DIN: 00009350
DIRECTOR**

PERLCON PREMIX PRIVATE LIMITED**AHMEDABAD**

CIN No. U24220GJ2010PTC061519

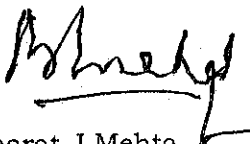
BALANCE SHEET AS AT 31st March 2020

Amount in Rupees

Particular	Note No.	As at Mar. 31, 2020	As at March 31, 2019
EQUITY & LIABILITIES			
Shareholders' Funds	1	110000000	110000000
Reserves & Surplus			
Profit & Loss Account		(205932146)	(213603807)
Non Current Liabilities			
Long term Borrowings	2	138662294	134991165
Current Liabilities			
Short Term Borrowings	3	3868246	4962478
Trade Payables	4	13260715	22217125
Short Term Provisions		1167667	829256
TOTAL		61026776	59396217
ASSETS			
Non Current Assets			
Fixed Assets- Tangible Assets	5	25425723	29334701
Non-Current Investments	6	62347	62347
Long Term Loans & Advances	7	2704082	3720979
Current Assets			
Inventories	8	14296069	12239422
Trade Receivable		15223583	10523386
Cash & Cash Equivalent	9	998776	899717
Short Term Loans & Advances	10	1836197	1895665
Other Non Current Assets	11	480000	720000
TOTAL		61026776	59396217

As per our attached report of even date & Note No.1 to 20 annexed here with for Bharat J.Mehta & Co.


Chartered Accountants
[FRN : 101219W]



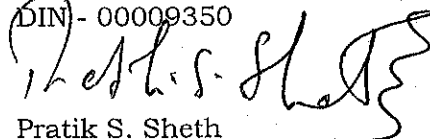
Bharat J.Mehta
Proprietor
Member Ship No. 15188
UDIN - 20015188AAAAAK1516
Place - Ahmedabad
Date - 24-08-2020



For and on behalf of the Board
of Directors of
Perlcon Premix Private Limited


Shreyas C. Sheth
Director

DIN - 00009350


Pratik S. Sheth
Director
DIN - 03111032
Place - Ahmedabad
Date - 24-08-2020

PERLCON PREMIX PRIVATE LIMITED
AHMEDABAD

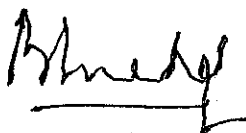
CIN No. U24220GJ2010PTC061519

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31-03-2020

Particulars	Note No.	For the year ended 31st Mar. 2020	For the year ended 31st March 2019
INCOME			
Revenue from Operations	12	65885535	72269252
Other Income		16090663	366978
TOTAL		81976198	72636230
EXPENDITURE			
Purchase of Stock-In-Trade		9807881	12549819
Cost of Raw Materials Consumed & Direct Expenses	13	23836896	19390429
Changes in Inventories of Finished Goods	14	753943	(614000)
Employee Benefit Expenses		11375822	11149662
Financial Cost		15489325	15179431
Sales & Administration Expenses		7165690	7672606
Depreciation & Amortization Expenses	15	4670616	5641657
Other Expenses		1204365	16324261
TOTAL		74304538	87293865
Net Loss Balance Brought forward		213603807	198946172
Net Loss/(Profit) for Current year		(7671661)	14657635
Net Loss Balance Carried to Balance Sheet		205932146	213603807

As per our attached report of even date & Note No.1 to 20 annexed here with for Bharat J.Mehta & Co.
Chartered Accountants
[FRN: 101219W]

For and on behalf of the Board of Directors of
Perlcon Premix Private Limited

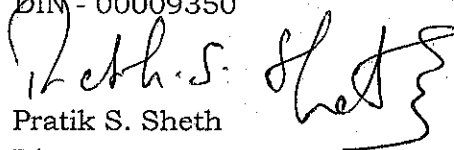


Bharat J.Mehta
Proprietor
Member Ship No. 15188
UDIN - 20015188AAAAAK1516
Place - Ahmedabad
Date - 24-08-2020





Shreyas C. Sheth
Director
DIN - 00009350



Pratik S. Sheth
Director
DIN - 03111032
Place - Ahmedabad
Date - 24-08-2020

2019-2020

PERLCON PREMIX PRIVATE LIMITED

Note No.1 Share Capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised Share Capital		
1,00,000 Equity Shares of Rs. 100/- Each	10000000	10000000
10,00,000 4% Redeemable Non-Cumulative Preference Shares of Rs.100/- Each	100000000	100000000
Issued, Subscribed & paid Up Capital		
1,00,000 Equity Shares of Rs. 100/- Each Fully Paid	10000000	10000000
10,00,000 4% Redeemable Non-Cumulative Preference Shares of Rs.100/- Each	100000000	100000000

Reconciliation of Number of Shares

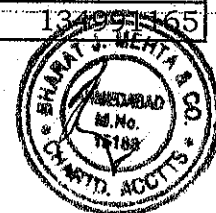
Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the Beginning of the Year	1100000	100	100000	100
Add.	0	0	1000000	100
At the end of the Year	1100000	100	1100000	100

Equity Shares	As at March 31, 2020		As at March 31, 2019	
	Numbers	% Holding	Numbers	% Holding
Mr. Shreyas C. Sheth	20000	20%	20000	20%
Mr. Pratik Shreyas Sheth	20000	20%	20000	20%
Mrs. Priti Shreyas Sheth	20000	20%	20000	20%
Mr. Shreyas C. Sheth HUF	20000	20%	20000	20%
Ms. Rutika Shreyas Sheth	10000	10%	10000	10%
Mr. Horst Wustinger	10000	10%	10000	10%

Redeemable Non-Cumulative Preference Shares	As at March 31, 2020		As at March 31, 2019	
	Numbers	% Holding	Numbers	% Holding
Mr. Shreyas C. Sheth	222250	22.23%	0	0%
Mr. Pratik Shreyas Sheth	222250	22.23%	0	0%
Mrs. Priti Shreyas Sheth	222200	22.22%	0	0%
Ms. Rutika Shreyas Sheth	111100	11.11%	0	0%
Aura Securities Private Ltd.	222200	22.22%	1000000	100%

Note No.2 Long Term Borrowings

Sr. No.	Particulars	As at March 31, 2020	As at March 31, 2019
1	From Directors	5498275	77230154
2	From Shareholders	525057	7980177
3	From Others	132638962	49780834
	Gross Total	138662294	134991165



SUPPLEMENTARY ACCOUNTING STATEMENTS OF PERLCON PREMIX PVT.LTD

FOR THREE MONTHS PERIOD ENDED ON JUNE 30, 2020

Statement of Standalone unaudited Assets and Liabilities

(In Lakhs)

Particulars	31-03-2020	30-06-2020
ASSETS		
(1) Non-current assets		
(a) Property, plant and equipment	171.34	164.25
(b) Capital work-in-progress	0	0
(c) Goodwill	0	0
(d) Other Intangible assets	5.10	5.08
(e) Intangible assets under development	0	0
(f) Investments in associates	0	0
(g) Investments in joint ventures	0	0
(h) Financial assets		
(i) Investments		
(ii) Loans	27.04	27.04
(iii) Other financial assets	0.62	0.62
(i) Deferred tax assets (Net)	0	0
(j) Income tax assets (Net)	0.71	0.54
(k) Other non-current assets	82.62	80.38
Total non-current assets	287.43	277.91
(2) Current assets		
(a) Inventories	142.96	143.45
(b) Financial assets		
(i) Investments		
(ii) Trade receivables	152.24	121.21
(iii) Cash and cash equivalents	9.99	15.72
(iv) Bank balances other than (iii) above	0	0
(v) Loans	17.65	7.74
(vi) Other financial assets	0	0
(c) Other current assets	0	0
(d) Assets classified as held for sale	0	0
Total current assets	322.84	288.12
TOTAL ASSETS	610.27	566.03
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	100.00	100.00
(b) Other equity	1000.00	1000.00
Equity attributable to owners of the Parent		
Non-controlling interests		
Total equity	1100.00	1100.00
Liabilities		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	1386.62	1453.71

	(ii) Other financial liabilities	0	0
	(b) Provisions	0	0
	(c) Deferred tax liabilities (Net)	0	0
	(d) Other Non Financial		
Liabilities	Total non-current		
liabilities		1386.62	1453.71
	(2) Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	38.68	-
	(ii) Trade payables	132.61	96.73
	(iii) Other financial liabilities	0	0
	(b) Other current liabilities	0	0
	(c) Provisions	11.68	22.38
	(d) Current tax liabilities (Net)	0	0
	Total current		
liabilities	Total	182.97	119.11
liabilities		1569.59	1572.82
TOTAL EQUITY AND LIABILITIES		2669.59	2672.82

For Perlcon Premix Private Limited

sd/-

Shreyas C. Sheth

Director

DIN: 00009350

Date: 15-12-2020

Place: Ahmedabad

SUPPLEMENTARY ACCOUNTING STATEMENTS OF PERLCON PREMIX PVT.LTD.

FOR THE THREE MONTHS PERIOD ENDED ON JUNE 30, 2020

Statement of Standalone Unaudited Financial Results for the Three months ended June 3 2020

(In Lakhs)

Particulars	Twelve Months ended 31.03.2020	Qtr. Ended on 30-06-2020
I Revenue from operations		
a. Sale of products	658.85	84.60
b. Other operating revenues	0	0
Total revenue from operations (i)	658.85	84.60
II Other income	160.91	0.19
III Total income (I+II)	819.76	84.79
IV Expenses		
Cost of materials consumed	238.37	35.11
Purchases of stock-in-trade	98.08	22.75
Changes in inventories of finished goods, stock-in-trade and work-in-progress	7.54	5.81
Employee benefits expense	113.76	23.61
Finance costs	154.89	30.64
Depreciation and amortisation expense	46.71	9.35
Other expenses	83.69	5.02
Total expenses (IV)	743.04	132.29
V Profit/(Loss) before exceptional item and tax (III-IV)	76.72	(47.50)
VI Exceptional item	-	-
VII Profit/(Loss) before tax (V-VI)	76.72	(47.50)
VIII Tax expense	-	-
IX Profit/(Loss) for the period before share of profit of associates and joint ventures (VII-VIII)	76.72	(47.50)
X Share of profit of associates and joint ventures (net)	0	0
XI Net Profit/(Loss) after taxes and share of profit of associates and joint ventures but before non-controlling interests	76.72	(47.50)
Non-controlling interests	-	-
XII Net Profit/(Loss) after taxes, share of profit of associates and joint ventures and non- controlling interests	76.72	(47.50)
XIII Other comprehensive income (OCI)		
A. Items that will not be reclassified to profit or (loss)	0	0
B. Items that may be reclassified to profit or (loss)	0	0
Total other comprehensive income (A+B)	0	0
XIV Total comprehensive income for the period (XI+XIII)	76.72	(47.50)

For Perlcon Premix Private Limited

sd/-

Shreyas C. Sheth

Director

DIN: 00009350

Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

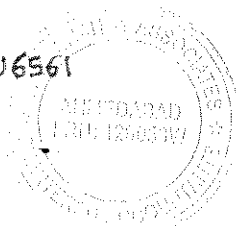
Balance Sheet as at 31 March 2020

Particulars	Notes	Amount in Rupees	
		As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4 (a)	31,208,514	35,044,551
Investment property	4 (b)	-	23,465,557
Financial assets			
investments	5 (a)	583,112	616,599
Other financial assets	5 (b)	24,620,794	23,675,593
		<u>56,412,420</u>	<u>82,802,300</u>
Current assets			
Inventories	6	43,279,525	32,701,415
Financial assets			
Investments	7 (a)	12,558,991	12,894,764
Loans	7 (b)	323,041,171	225,860,761
Trade receivables	7 (c)	58,940,063	46,764,171
Cash and cash equivalent	7 (d)	670,406	564,733
Bank balances other than cash and cash equivalents above	7 (e)	6,021,501	8,767,720
Other financial assets	7 (f)	5,195,455	3,092,659
Other current assets	8	16,477,993	52,456,000
		<u>466,185,105</u>	<u>383,102,223</u>
Total assets		<u>522,597,525</u>	<u>465,904,523</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	6,776,520	7,200,000
Other Equity	10	460,583,757	410,499,316
Total equity		<u>467,360,277</u>	<u>417,699,316</u>
Non-current liabilities			
Financial Liabilities			
Other financial liabilities	11 (a)	-	4,037,000
Long term provisions	12	2,691,851	2,990,149
Deferred tax liabilities (net)	13	5,014,250	3,528,584
		<u>7,706,101</u>	<u>10,555,733</u>
Current liabilities			
Financial Liabilities			
Borrowings	14 (a)	6,537,300	8,003,781
Trade payables	14 (b)		
Total Outstanding Dues to Micro Enterprises and Small Enterprises		2,426,300	68,750
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		30,536,895	20,283,683
Other payables	14 (c)	1,699,228	1,492,767
Other current liabilities	15	4,120,486	6,634,176
Short term provisions	16	2,210,938	1,166,317
		<u>47,531,147</u>	<u>37,649,474</u>
Total liabilities		<u>55,237,248</u>	<u>48,205,207</u>
Total equity and liabilities		<u>522,597,525</u>	<u>465,904,523</u>
Summary of significant accounting policies	3		

As per our report of even date
For B.R. Shah & Associates
Firm registration number : 129053W
Chartered accountants

Bhavik K. Shah

Bhavik K. Shah
[Partner]
Membership number 129674
UDIN: 20129674AAAAKU6561
Place : Ahmedabad
Date : 24/08/2020



For and on behalf of the board of directors of
Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Shreyas C. Sheth

Shreyas C. Sheth
[Chairman and Managing Director]
DIN : 00009350

Place : Ahmedabad
Date : 24/08/2020

Naishadh I. Parikh

Naishadh I. Parikh
[Director]
DIN: 00009314

Place : Ahmedabad
Date : 24/08/2020



Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Statement of profit and loss for the year ended 31 March 2020

Amount in Rupees

Particulars	Notes	31 March 2020	31 March 2019
Income			
Revenue from operations	17	338,955,790	305,639,460
Other income	18	8,048,701	2,814,952
Finance income	19	28,317,963	18,769,776
Total income		375,322,454	327,224,188
Expenses			
Cost of material and components consumed	20	102,760,046	95,836,241
Purchase of traded goods		11,252,876	-
(increase)/decrease in inventories of finished goods, work-in-progress	21	399,479	1,936,693
Employee benefits expense	22	51,680,567	50,244,725
Depreciation and amortization expense	23	13,571,573	21,634,726
Finance costs	24	6,450,230	2,640,888
Other expenses	25	82,337,518	99,555,382
Total expense		268,452,289	271,848,655
Profit/(loss) before tax from operations		106,870,165	55,375,533
Tax expense	26		
Current tax		28,128,806	13,494,594
Deferred tax		1,485,666	2,193,535
Total tax expense		29,614,472	15,688,129
Profit/(loss) for the period		77,255,693	39,687,404
Other comprehensive income			
Items not to be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(1,154,644)	(631,007)
Income tax related to item on above		336,232	175,546
Net (loss)/gain on FVTOCI equity instrument		25,503	290,985
Income tax related to item on above		(7,426)	(80,952)
Other comprehensive income for the period, net of tax		(800,335)	(245,428)
Total comprehensive income for the period		76,455,358	39,441,976
Earnings per share, computed on the basis of profit for the period attributable to equity holders			
Basic and diluted earning Rs. per Equity share of Rs. 10 each	29	111.16	55.12
Summary of significant accounting policies			
	2		

As per our report of even date
For B.R. Shah & Associates
Firm registration number : 129053W
Chartered accountants

For and on behalf of the board of directors of
Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Bhavik K. Shah

Bhavik K. Shah
{Partner}
Membership number 129674
UDIN: 20129674AAAA KV6561
Place : Ahmedabad
Date : 24/08/2020



Shreyas C. Sheth

Shreyas C. Sheth
{Chairman and Managing Director}
DIN : 00009350

Place : Ahmedabad
Date : 24/08/2020

Naishadh I. Parikh

Naishadh I. Parikh
{Director}
DIN : 00009314

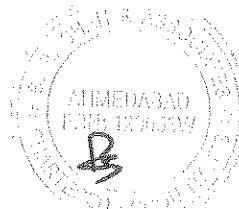
Place : Ahmedabad
Date : 24/08/2020



Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Statement of Cash Flows for the year ended 31 March, 2020

Particulars	Amount in Rupees	
	31 March 2020	31 March 2019
Cash flow from operating activities		
Profit before tax	106,870,165	55,375,533
Add: Adjustments for		
Depreciation and amortisation	13,571,573	21,634,726
Finance cost	4,750,092	794,999
Bad debt written off	938,087	75,140
Loss on sales of fixed assets	-	15,408
	19,259,752	22,520,273
Interest income	28,317,963	18,769,776
Profit on sale of investment	3,135,648	505,127
Dividend	748	561
Liabilities no longer required written back	49,645	55,668
Profit on sale of fixed asset	28,177	-
Exchange differences Gain (net)	4,740,622	1,633,074
Profit on sale of Leased asset	53,826,430	23,230,900
	90,099,233	44,195,106
Operating profit before working capital changes	36,030,684	33,700,700
(Increase) / Decrease in inventories	(10,578,110)	8,431,219
(Increase) / Decrease in trade receivables	(8,373,354)	41,661,236
(Increase) / Decrease in other financial assets	(2,899,697)	2,140,384
(Increase) / Decrease in other assets	33,228,548	1,018,303
(Increase) / Decrease in other bank balance	2,746,219	(1,364,295)
Increase / (Decrease) in trade payables	12,660,407	(30,944,065)
Increase / (Decrease) in other payables	206,459	(3,441,254)
Increase / (Decrease) in other financial liabilities	(4,037,000)	(1,275,000)
Increase / (Decrease) in other current liabilities	(2,514,185)	708,505
Increase / (Decrease) in current provisions	(110,023)	(150,818)
Increase / (Decrease) in non-current provisions	(298,298)	292,836
Cash generated from operations	56,061,650	50,777,751
Direct taxes paid (net of refunds)	(25,050,541)	(14,160,039)
Net cash flow from/(used in) in operating activities (A)	31,011,109	36,617,712
Cash flows from investing activities		
Purchase of fixed assets including capital advances	(320,215)	(25,850,545)
Proceeds from sale of fixed assets	67,904,843	36,452,491
Loan given to from subsidiary	(10,876,480)	(9,456,849)
Intercompany loans given during the year	(212,973,303)	(108,674,987)
Intercompany loans received back during the year	126,669,373	56,451,267
Interest received	28,169,663	18,196,078
Dividends received	748	561
Purchase of investment	(147,500,000)	(62,000,000)
Proceeds from sale of investment	151,030,411	54,251,232
Net cash flow from/(used in) in investing activities (B)	2,105,040	(40,630,752)
Cash flows from financing activities		
Repayment of borrowings (net)	(1,466,481)	4,951,362
Interest paid	(4,750,092)	(834,318)
Dividend paid on equity shares	(1,693,635)	(1,780,620)
Tax on equity dividend paid	(348,234)	(369,997)
Premium on Buy Back of Shares (Including Tax on BuyBack)	(24,328,553)	-
Reduction of Share Capital	(423,480)	-
Net cash flow from/ (used in) in financing activities (C)	(33,010,475)	1,966,427
Net increase/(decrease) in cash and cash equivalents (A + B + C)	105,674	(2,046,612)
Cash and cash equivalents at the beginning of the year	564,733	2,611,345
Cash and cash equivalents at the end of the year	670,406	564,733



Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Statement of Cash Flows for the year ended 31 March, 2020

Particulars	Amount in Rupees	
	31 March 2020	31 March 2019
Components of cash and cash equivalents		
Cash on hand	616,864	528,978
Balances with banks in current account	53,542	35,755
Total cash and cash equivalents (note 7(d))	670,406	564,733

Notes:

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.
- Cash flow in bracket indicates cash out flow.
- Reconciliation of cash and cash equivalents with the balance sheet:

Particulars	(Amount in Rs.)	
	As at 31st March, 2020	As at 31st March, 2019
Cash on hand	616,864	528,978
In current accounts	53,542	35,755
Cash and cash equivalents as per balance sheet	670,406	564,733

4) As per the amendment in "Ind AS 7 Statement of Cash Flows : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

Particulars	(Amount in Rs.)			
	As at 1st April, 2019	Cash flows	Non cash changes	As at 31st March, 2020
Current borrowings	8,003,781	(1,466,481)	-	6,537,300
Interest Paid	-	(4,750,092)	-	-
Dividend Paid (including tax on dividend)	-	(2,041,869)	-	-
Premium on Buy Back of Shares (Including Tax on BuyBack)	-	(24,328,553)	-	-
Reduction of Share Capital	-	(423,480)	-	-
Total	8,003,781	(33,010,475)	-	6,537,300

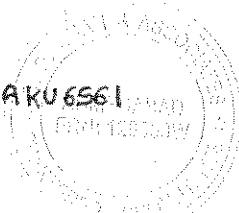
Particulars	(Amount in Rs.)			
	As at 1st April, 2018	Cash flows	Non Cash changes	As at 31st March, 2019
Current borrowings	3,052,419	4,951,362	-	8,003,781
Interest Paid	-	(834,318)	-	-
Dividend Paid (including tax on dividend)	-	(2,150,617)	-	-
Total	3,052,419	1,966,427	-	8,003,781

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For B.R. Shah & Associates
Firm registration number : 129053W
Chartered accountants

Bhavik K. Shah

Bhavik K. Shah
[Partner]
Membership number 129674
UDIN: 20129674AAAARU6561
Place : Ahmedabad
Date : 24/08/2020



For and on behalf of the board of directors of
Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Shreyas C. Sheth

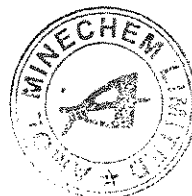
Shreyas C. Sheth
[Chairman and Managing Director]
DIN : 00009350

Place : Ahmedabad
Date : 24/08/2020

Natshadh T. Parikh

Natshadh T. Parikh
[Director]
DIN: 00009314

Place : Ahmedabad
Date : 24/08/2020



Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Statement of changes in equity for the year ended 31st March 2020

A. Equity share capital

Particulars	Notes	Amount in Rupees
		Amount
As at April 1, 2018		7,200,000
Changes in equity share capital during the year		-
As at March 31, 2019		7,200,000
Less: Buyback of shares		423,480
As at March 31, 2020	9	6,776,520

B. Other Equity

Particulars	Reserves and surplus			Other Reserves	Total Other equity
	General reserve	Retained earnings	Capital redemption reserve	FVOCI equity instruments	
As at April 1, 2018	169,374,022	203,220,090	400,000	233,224	373,227,336
Profit for the year	-	39,687,404	-	-	39,687,404
Other comprehensive income	-	(455,461)	-	210,033	(245,428)
Total comprehensive income for the year	-	39,231,943	-	210,033	39,441,976
Transactions with owners in their capacity as owners					
Dividend Paid (including dividend distribution tax)	-	2,169,997	-	-	2,169,997
As at March 31, 2019	169,374,022	240,282,036	400,000	443,257	410,499,316
Profit for the year	-	77,255,693	-	-	77,255,693
Other comprehensive income	-	(818,412)	-	18,077	(800,335)
Total comprehensive income for the year	-	76,437,282	-	18,077	76,455,358
Transactions with owners in their capacity as owners					
Dividend Paid (Including dividend distribution tax)	-	2,042,364	-	-	2,042,364
Buy Back of shares (including tax on buyback)	24,328,553	-	-	-	24,328,553
Amount transferred to CRR upon buyback	423,480	-	423,480	-	423,480
As at March 31, 2020	144,621,989	314,676,954	823,480	461,334	460,583,757

Nature and purpose of other reserves

FVOCI - Equity Instruments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in Other Comprehensive Income. These changes are accumulated within the FVOCI equity Instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For B.R. Shah & Associates

Firm registration number : 129053W

Chartered accountants

Bhavik K. Shah

Bhavik K. Shah

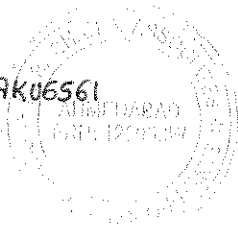
[Partner]

Membership number 129674

UDIN: 20129674AAAARU6561

Place : Ahmedabad

Date : 24/08/2020



For and on behalf of the board of directors of

Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Shreyas C. Sheth

Shreyas C. Sheth

[Chairman and Managing Director]

DIN : 00009350

Place : Ahmedabad

Date : 24/08/2020

Naishadh I. Parikh

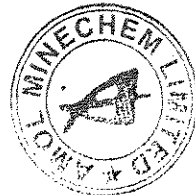
Naishadh I. Parikh

[Director]

DIN: 00009314

Place : Ahmedabad

Date : 24/08/2020



Amol Minechem Limited (Formerly known as Amol Dicalite Limited)
Consolidated Balance Sheet as at 31 March 2020

Particulars	Notes	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4 (a)	31,431,540	35,376,527
Investment Property	4 (b)	-	23,465,557
Financial assets			
Investments	5 (a)	119,305	152,792
Other financial assets	5 (b)	24,620,794	23,675,593
		<u>56,171,639</u>	<u>82,670,469</u>
Current assets			
Inventories	6	43,837,769	33,248,057
Financial assets			
Investments	7 (a)	12,558,991	12,894,764
Loans	7 (b)	266,007,244	173,559,742
Trade receivables	7 (c)	58,940,063	47,353,165
Cash and cash equivalent	7 (d)	1,404,163	1,610,889
Bank balances other than cash and cash equivalent above	7 (e)	6,021,501	8,767,720
Other financial assets	7 (f)	5,292,342	3,187,533
Other current assets	8	16,477,993	60,864,529
		<u>410,540,066</u>	<u>341,486,399</u>
		<u>466,711,705</u>	<u>424,156,868</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	9	6,776,520	7,200,000
Other Equity	10	404,697,939	362,686,180
Total equity		<u>411,474,459</u>	<u>369,886,180</u>
Non-current liabilities			
Financial Liabilities			
Other financial liabilities	11 (a)	-	4,037,000
Long term provisions	12	2,691,850	2,990,149
Deferred tax liabilities (net)	13	5,014,250	3,528,584
		<u>7,706,100</u>	<u>10,555,733</u>
Current liabilities			
Financial Liabilities			
Borrowings	14(a)	6,537,300	13,798,094
Trade payables	14(b)		
Total Outstanding Dues to Micro Enterprises and Small Enterprises		2,426,300	68,750
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		30,536,895	20,554,855
Other payables	14(c)	1,699,228	1,492,763
Other current liabilities	15	4,120,484	6,634,176
Short term provisions	16	2,210,939	1,166,317
		<u>47,531,146</u>	<u>43,714,955</u>
		<u>55,237,246</u>	<u>54,270,688</u>
Total liabilities		<u>466,711,705</u>	<u>424,156,868</u>
Total equity and liabilities			
		<u>466,711,705</u>	<u>424,156,868</u>

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For B.R. Shah & Associates
Firm registration number : 129053W
Chartered accountants

Bhavik K. Shah

Bhavik K. Shah
[Partner]
Membership number 129674
UDIN: 20129674AAAAKYIWHI
Place : Ahmedabad
Date : 24/08/2020



For and on behalf of the board of directors of
Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Shreyas C. Sheth

Shreyas C. Sheth
[Chairman and Managing Director]
DIN : 00009350

Place : Ahmedabad
Date : 24/08/2020

Nalshadh I. Parikh

Nalshadh I. Parikh
[Director]
DIN: 00009314

Place : Ahmedabad
Date : 24/08/2020



Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

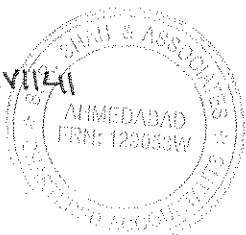
Consolidated Statement of profit and loss for the year ended 31 March 2020

Particulars	Notes	31 March 2020	31 March 2019
Revenue from operations	17	338,955,790	311,638,006
Other income	18	8,048,701	2,814,795
Finance income	19	25,291,345	16,213,079
Total Income		372,295,836	330,665,880
Expenses			
Cost of material and components consumed	20	102,760,046	95,836,241
Purchase of traded goods		11,252,876	-
(Increase)/ decrease in inventories of finished goods and work-in-progress	21	399,479	1,936,693
Employee benefits expense	22	52,715,270	62,481,741
Depreciation and amortization expense	23	13,680,525	21,808,373
Finance costs	24	6,600,086	3,075,156
Other expenses	25	86,084,323	105,127,305
Total expense		273,492,605	290,265,509
Profit/(loss) before tax from operations		98,803,231	40,400,371
Tax Expense	26		
Current tax		28,128,806	13,494,594
Deferred tax		1,485,665	2,193,535
Income tax expense		29,614,471	15,688,129
Profit/(loss) for the year		69,188,760	24,712,242
Other comprehensive income			
Items not to be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plan		(1,154,644)	(631,007)
Income tax related to item no above		336,232	175,546
Net (loss)/gain on FVTOCI equity instrument		25,503	290,985
Income tax related to item no above		(7,426)	(80,952)
Other comprehensive income for the year, net of tax		(800,335)	(245,428)
Total comprehensive income for the year		68,388,425	24,466,814
Earnings per share, computed on the basis of profit for the year attributable to equity holders			
Basic & Diluted	29	99.55	34.32
Summary of significant accounting policies			
	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For B.R. Shah & Associates
Firm registration number : 129053W
Chartered accountants

Bhavik K. Shah
[Partner]
Membership number 129674
UDIN: 20129674AAAAKV1141
Place : Ahmedabad
Date : 24/08/2020



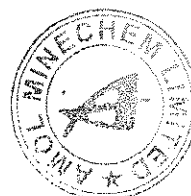
For and on behalf of the board of directors of
Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Shreyas C. Sheth
[Chairman and Managing Director]
DIN : 00009350

Place : Ahmedabad
Date : 24/08/2020

Naishadh I. Parikh
[Director]
DIN: 00009314

Place : Ahmedabad
Date : 24/08/2020

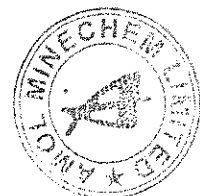


Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Statement of Cash Flows for the year ended 31 March, 2020

Amount in Rupees

Particulars	Notes	31 March 2020	31 March 2019
Cash flow from operating activities			
Profit before tax		98,803,231	40,400,371
Add: Adjustments for			
Depreciation and amortisation		13,680,525	21,808,373
Interest expenses		4,818,000	1,115,670
Bad debt written off		938,086	75,140
Loss on sale of fixed asset		-	15,408
		19,436,611	23,014,591
Less: Adjustments for			
Interest income		25,291,345	16,213,079
Profit on sale of investment		3,135,648	505,127
Dividend		748	561
Unrealised foreign exchange gain		4,740,622	1,632,917
Profit on sale of Leased asset		53,826,430	24,359,530
Gain on sale of fixed asset		28,177	-
Liabilities no longer required written back		49,645	55,668
		87,072,615	42,766,882
Operating profit before working capital changes		31,167,227	20,648,080
(Increase) / Decrease in inventories		(10,589,712)	8,859,067
(Increase) / Decrease in trade receivables		(7,784,362)	49,077,270
(Increase) / Decrease in other financial assets		(2,901,710)	1,015,716
(Increase) / Decrease in other assets		39,538,723	(5,291,872)
(Increase) / Decrease in other bank balance		2,746,219	(1,364,295)
Increase / (Decrease) in trade payables		12,389,235	(22,372,868)
Increase / (Decrease) in other payables		206,465	(3,441,255)
Increase / (Decrease) in other financial liabilities		(4,037,000)	(1,275,000)
Increase / (Decrease) in other current liabilities		(2,514,187)	649,756
Increase / (Decrease) in current provisions		(110,022)	(150,818)
Increase / (Decrease) in non-current provisions		(298,299)	292,836
Cash generated from operations		26,645,350	25,998,537
Direct taxes paid (net of refunds)		(22,952,187)	(16,258,393)
Net cash flow from/(used in) in operating activities (A)		34,860,390	30,388,224
Cash flows from investing activities			
Purchase of fixed assets including capital advances		(320,218)	(24,950,545)
Proceeds from sale of leased assets		67,904,843	37,588,135
Intercompany loans given during the year		(212,973,304)	(10,864,987)
Intercompany loans received back during the year		120,525,803	(40,746,319)
Interest received		25,143,045	15,819,465
Dividends received		748	561
Purchase of investment		(147,500,000)	(62,000,000)
Proceeds from sale of investment		151,030,412	54,251,229
Exchange rate difference on consolidation of subsidiaries		(5,749)	(3,411,375)
Net cash flow from/(used in) in investing activities (B)		3,805,580	(34,313,836)
Cash flows from financing activities			
Repayment of borrowings (net)		(7,260,794)	5,491,103
Interest paid		(4,818,000)	(1,154,989)
Dividend paid on equity shares		(1,693,635)	(1,780,620)
Tax on equity dividend paid		(348,234)	(369,997)
Premium on Buy Back of Shares (Including Tax on BuyBack)		(24,328,553)	-
Reduction of Share Capital		(423,480)	-
Net cash flow from/ (used in) in financing activities (C)		(38,872,696)	2,185,497
Net increase/(decrease) in cash and cash equivalents (A + B + C)		(206,726)	(1,740,115)



Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Statement of Cash Flows for the year ended 31 March, 2020

Particulars	Notes	Amount in Rupees	
		31 March 2020	31 March 2019
Cash and cash equivalents at the beginning of the year		1,610,889	3,351,004
Cash and cash equivalents at the end of the year		1,404,163	1,610,889
Components of cash and cash equivalents			
Cash on hand		616,864	528,979
Balances with banks in current account		787,299	1,081,910
Total cash and cash equivalents (note 7 (d))		1,404,163	1,610,889

Notes:

- 1) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.
- 2) Cash flow in bracket indicates cash out flow.
- 3) Reconciliation of cash and cash equivalents with the balance sheet:

Particulars	(Amount in Rs.)	
	As at 31st March, 2020	As at 31st March, 2019
Cash on hand	616,864	528,979
In current accounts	787,299	1,081,910
Cash and cash equivalents as per balance sheet	1,404,163	1,610,889

4) As per the amendment in "Ind AS 7 Statement of Cash Flows : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment has become effective from 1st April, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

Particulars	(Amount in Rs.)			
	As at 1st April, 2019	Cash flows	Non cash changes	As at 31st March, 2020
Current borrowings	13,798,094	(7,260,794)	-	6,537,300
Interest Paid	-	(4,818,000)	-	-
Dividend Paid (including tax on dividend)	-	(2,041,869)	-	-
Premium on Buy Back of Shares (including Tax on BuyBack)	-	(24,328,553)	-	-
Reduction of Share Capital	-	(423,480)	-	-
Total	13,798,094	(38,872,696)	-	6,537,300

Particulars	(Amount in Rs.)			
	As at 1st April, 2018	Cash flows	Non Cash changes	As at 31st March, 2019
Current borrowings	8,306,991	5,491,103	-	13,798,094
Interest Paid	-	(1,154,989)	-	-
Dividend Paid (including tax on dividend)	-	(2,150,617)	-	-
Total	8,306,991	2,185,497	-	13,798,094

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For B.R. Shah & Associates
Firm registration number : 129053W
Chartered accountants

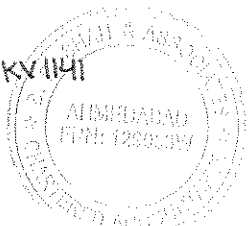
Bhavik K. Shah
[Partner]

Membership number 129674

UDIN: 20129674AAAAKV1141

Place : Ahmedabad

Date : 24/08/2020



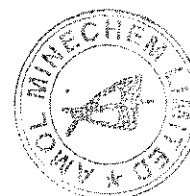
For and on behalf of the board of directors of
Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Shreyas C. Sheth
[Chairman and Managing Director]
DIN : 00009350

Place : Ahmedabad
Date : 24/08/2020

Naishadh I. Parikh
[Director]
DIN: 00009314

Place : Ahmedabad
Date : 24/08/2020



Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Consolidated Statement of changes in equity for the year ended 31 March 2020

A. Equity share capital

Amount in Rupees

Particulars	Notes	Amount
As at April 1, 2018		7,200,000
Changes in equity share capital during the year		-
As at March 31, 2019		7,200,000
Less: Buyback of shares		423,480
As at March 31, 2020	9	6,776,520

B. Others Equity

Amount in Rupees

Particulars	Reserves and surplus				Other Reserves	Total Others equity
	General reserve	Retained earnings	Exchange rate fluctuation reserve	Capital redemption reserve	FVOCI equity Instruments	
As at April 1, 2018	169,374,022	174,157,402	(363,910)	400,000	233,224	343,800,738
Profit for the year	-	24,712,242	-	-	-	24,712,242
Change due to exchange rate fluctuation	-	-	3,411,375	-	-	3,411,375
Other comprehensive income	-	(455,461)	-	-	210,033	(245,428)
Total comprehensive income for the year	-	24,256,781	3,411,375	-	210,033	27,878,189
Transactions with owners in their capacity as owners						
Dividend Paid (including dividend distribution tax)	-	2,169,997	-	-	-	2,169,997
As at March 31, 2019	169,374,022	196,244,186	(3,775,285)	400,000	443,257	362,686,180
Profit for the year	-	69,188,760	-	-	-	69,188,760
Change due to exchange rate fluctuation	-	-	5,749	-	-	5,749
Other comprehensive income	-	(818,412)	-	-	18,077	(800,335)
Total comprehensive income for the year	-	68,370,348	5,749	-	18,077	68,394,174
Transactions with owners in their capacity as owners						
Dividend Paid (including dividend distribution tax)	-	2,042,364	-	-	-	2,042,364
Buy Back of shares (including tax on buyback)	24,328,553	-	-	-	-	24,328,553
Amount transferred to CRR upon buyback	423,480	-	-	423,480	-	423,480
As at March 31, 2020	144,621,989	262,572,170	(3,781,034)	823,480	461,334	404,697,939

Nature and purpose of other reserves

FVOCI - Equity Instruments

The Company has elected to recognize changes in the fair value of certain Investments in equity securities in Other Comprehensive Income.

These changes are accumulated within the FVOCI equity instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognized.

The accompanying notes are an integral part of the financial statements.

As per our report of evr For and on behalf of the board of directors of

For B.R. Shah & Associates

Firm registration number : 129053W

Chartered accountants

Bhavik K. Shah

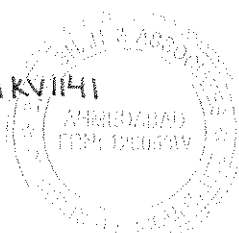
[Partner]

Membership number 129674

UDIN: 20129674AAAAKV1141

Place : Ahmedabad

Date : 24/08/2020



For and on behalf of the board of directors of

Amol Minechem Limited (Formerly known as Amol Dicalite Limited)

Shreyas C. Sheth

Shreyas C. Sheth

[Chairman and Managing Director]

DIN : 00009350

Place : Ahmedabad

Date : 24/08/2020

Naishadh I. Parikh

Naishadh I. Parikh

[Director]

DIN: 00009314

Place : Ahmedabad

Date : 24/08/2020





AMOL MINECHEM LIMITED

(Formerly known as AMOL DICALITE LIMITED)

Registered Office / Corporate Office:

401, 'Akshay', 53, Shrimali Society, Navrangpura, Ahmedabad – 380 009 (India)

Phone : +91-79-40246246, 26560458 Fax : +91-79-26569103, CIN : L14100GJ1979PLC003439

E-mail: info@amolminechem.com. Website: www.amolminechem.com

(Rs. In Lakhs)

1 STATEMENT OF ASSETS AND LIABILITIES			
Sr No.	Particulars	StandaloneAs at 30/06/2020 (Unaudited)	StandaloneAs at 31/03/2020 (audited)
A	Assets		
1	Non-Current Assets		
	(a) Property, Plant and Equipment	302.78	312.08
	(b) Financials Assets		
	Investments	6.39	5.83
	Loans	-	-
	Others	124.10	246.21
	(c) Other non-current assets	-	-
	Sub-total - Non-Current Assets (A)	433.27	564.12
2	Current Assets		
	(a) Inventories	486.71	432.80
	(b) Financials Assets		
	Investments	-	125.59
	Trade Receivable	344.78	589.40
	Cash and Cash Equivalents	8.13	6.70
	Bank balances other than above	93.04	60.21
	Loans and Advances	3,527.17	3,230.41
	Other	133.36	51.95
	(c) Other current assets	196.88	164.79
	Sub-total - Other Current Assets (B)	4,790.07	4,661.85
	Total Assets (A + B)	5,223.34	5,225.97
B	Equity and Liabilities		
1	Equity		
	(a) Equity share capital	67.77	67.77
	(b) Other equity	4,612.09	4,605.84
	Sub-total - Equity (A)	4,679.86	4,673.61
2	Non-Current Liabilities		
	(a) Financial liabilities	-	-
	Borrowing	-	-
	Other financial liabilities	-	-
	(b) Provisions	34.39	26.92
	(c) Deferred Tax Liabilities (net)	49.93	50.14
	(d) Other non-current liabilities	-	-
	Sub-total - Non-Current Liabilities (B)	84.32	77.06
3	Current Liabilities		
	(a) Financial liabilities		
	Borrowing	132.08	65.37
	Trade Payable	270.87	329.63
	Other financial liabilities/Other payable	16.83	16.99
	(b) Other current liabilities	39.38	41.20
	(c) Provisions	-	22.11
	Sub-total - Current Liabilities (C)	459.16	475.30
	Total Equity and Liabilities (A + B + C)	5,223.34	5,225.97

By Order of the Board
For Amol Minechem Limited

sd/-

Shreyas C. Sheth
Chairman and Managing Director
(DIN 00009350)

Place : Ahmedabad
Date : 15.12.2020



AMOL MINECHEM LIMITED

(Formerly known as AMOL DICALITE LIMITED)

Registered Office / Corporate Office:

401, 'Akshay', 53, Shramali Society, Navrangpura, Ahmedabad - 380 009 (India)

Phone : +91-79-40246246, 26560458 Fax : +91-79-26569103, CIN : L14100GJ1979PLC003439

E-mail: info@amolminechem.com. Website: www.amolminechem.com

(Rs. In Lakhs)

UNAUDITED FINANCIAL RESULTS (STANDALONE) FOR THE QUARTER ENDED ON JUNE 30, 2020

Sr No	Particulars	Quarter ended on	
		30-06-2020 (Unaudited)	31-03-2020 (Audited)
1	Income		
	(a) Sales/Income from operations	353.90	3,389.56
	(b) Finance and other income	108.50	363.67
	Total Income (Net)	462.40	3,753.23
2	Expenses		
	(a) Cost of material consumed	154.47	932.00
	(b) Purchase of stock-in-trade	-	112.53
	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	(19.28)	3.99
	(d) Employee benefit expense	117.74	516.81
	(e) Finance cost	3.05	64.50
	(f) Depreciation and amortisation expense	9.41	135.72
	(g) Other expenses	164.55	918.98
	Total Expenses	429.94	2,684.53
3	Profit before exceptional item and tax (1-2)	32.46	1,068.70
4	Exceptional Items	-	-
5	Profit before tax (3+4)	32.46	1,068.70
6	Tax expenses		
	- Current Tax	25.00	278.00
	- Deferred Tax	(0.21)	14.86
7	Profit for the period (5+6)	7.67	775.84
8	Other Comprehensive income (net of tax) (OCI)		
	Items that will not be reclassified to profit or loss		
	Fair value of equity instruments through other comprehensive income (FVTOCI)	0.56	0.26
	Remeasurement of defined benefit plans	(1.97)	(11.55)
9	Total comprehensive income (after tax)	6.26	764.55
10	Paid up Equity Share Capital (Face value: Rs.10/- per Share)	67.77	67.77
	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year		
11	Earnings per equity share share (EPS) (Not annualised) (Face value: Rs.10/- per Share)		
	Basic and diluted EPS	1.13	111.16

SEGMENT, REVENUE, RESULTS AND OTHER INFORMATION

Sr No	Particulars	Quarter ended on	
		30-06-2020 (Unaudited)	31-03-2020 (Audited)
(1)	Segment Revenue		
	(Net Sales/Income from Operations)		
	(a) Perlite Products & related activities	353.90	2,804.41
	(b) Leasing	-	585.15
	Total	353.90	3,389.56
	Less: Inter Segment Revenue	-	-
	Net Sales/Income From Operation	353.90	3,389.56
(2)	Segment Results		
	(Profit before tax and interest from each segment)		
	(a) Perlite Products & related activities	(17.61)	580.39
	(b) Leasing	-	488.98
	Sub - Total	(17.61)	1,069.37
	Less:		
	(1) Finance costs	3.05	64.50
	(2) Other un-allocable expenditure (net of un-allocable income)	(53.12)	(63.83)
	Total Profit Before Tax	32.46	1,068.70
(3)	Capital Employed		
	(Segment Assets - Segment Liabilities)		
	(a) Perlite Products & related activities	759.46	871.30
	(b) Leasing	-	-
	Unallocable assets less liabilities	3,920.40	3,802.30
	Total Capital Employed in the Company	4,679.86	4,673.60

Notes:-

1) The figures have been re-grouped and re-classified, wherever necessary to make them comparable.

By Order of the Board
For Amol Minechem Limited
sd/-

Shreyas C. Sheth
Chairman and Managing Director
(DIN 00009350)

Place : Ahmedabad
Date : 15.12.2020

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH

C A (CAA) NO. 71 OF 2020

In the matter of the Companies Act, 2013;
AND

In the matter of Sections 230 to 232 and other applicable
provisions of the Companies Act, 2013;
AND

In the matter of Scheme of Amalgamation of Perlcon
Premix Private Limited with Amol Minechem Limited.

Amol Minechem Limited.

(CIN- L14100GJ1979PLC003439)

A company incorporated under the Companies Act, 1956

and having its registered office at 401, "Akshay", 53,

Shrimali Society, Navrangpura Ahmedabad – 380 009

in the state of Gujarat.....**Applicant Transferee Company**

FORM OF PROXY

I, the undersigned, the Secured Creditor of Amol Minechem Limited, do hereby appoint Mr./Ms. ofand failing him/her of..... as my Proxy to act for me at the meeting of the Secured Creditors of the Applicant Company to be held on Wednesday, 27th day of January 2021 at 3.30 p.m. at the Registered Office of the Applicant Company at 401, "Akshay", 53, Shrimali Society, Navrangpura Ahmedabad – 380 009 in the state of Gujarat, for the purpose of considering, and if thought fit, approving, with or without modification(s), the said Scheme of Amalgamation of Perlcon Premix Private Limited with Amol Minechem Limited; (the "Scheme of Amalgamation"), and at such meeting and any adjournment/adjournments thereof, to vote, for me and in my name (here, "if for" insert "for" if, "if against" "against" and in the latter case, strike out the words below after "Scheme") the said Scheme either with or without modification(s) as my proxy may approve.

Dated this day of2021

Signature

Affix Re. 1
Revenue Stamp

Name :

Address:

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH

C A (CAA) NO. 71 OF 2020

In the matter of the Companies Act, 2013;

AND

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in the state of Gujarat.....Applicant Transferee Company

ATTENDANCE SLIP

Secured Creditors attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the Secured Creditors meeting of the Company on Wednesday, 27th day of January 2021 at 3.30 p.m. at the Registered Office of the Applicant Company at 401, "Akshay", 53, Shrimali Society, Navrangpura Ahmedabad – 380 009.

.....

.....
Full name of the Secured Creditors
(in block capitals)

Signature

.....

.....
Full name of Proxy
(in block capitals)

Signature

Route Map of the Venue

