

June 7, 2021.

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001.
Scrip Code: 532830

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051.
Trading Symbol: ASTRAL

Dear Sir/Madam,

Sub.: Intimation under regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015- Scheme of Amalgamation.

With reference to the captioned subject matter, we are pleased to inform you that based on recommendation of Committee of Independent Directors, Audit Committee, the Board of Directors of the Company at its meeting held today i.e. June 7, 2021, has considered and approved the Scheme of Amalgamation of Resinova Chemie Limited (Subsidiary Company) and Astral Biochem Private Limited (Wholly Owned Subsidiary Company) with the Company subject to necessary statutory and regulatory approvals.

We enclose herewith:

1. The information pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September 2015 as “Annexure I”;
2. Press release as “Annexure II”

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For Astral Limited



Krunal Bhatt
Company Secretary

Encl.: As above

Astral Limited (Formerly known as Astral Poly Technik Limited)

Registered & corporate office: 207/1, 'Astral house', B/h Rajpath club, off S. G. Highway, Ahmedabad - 380059, Gujarat, India.
P: +91 79 66212000 | F: +91 79 66212121 | W: astralpipes.com | CIN: L25200GJ1996PLC029134

Annexure I

Information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015.

<p>Name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.;</p>	<ol style="list-style-type: none"> 1. Resinova Chemie Limited (Subsidiary of Astral Ltd-Transferor Company-1) 2. Astral Biochem Private Limited (Wholly Owned Subsidiary of Astral Ltd.- Transferor Company 2) 3. Astral Limited. (Transferee Company) <p style="text-align: right;">(Rs. In Million)</p> <table border="1" data-bbox="660 864 1474 1227"> <thead> <tr> <th>Particulars</th> <th>Net worth as on March 31, 2021.</th> <th>Turnover as on March 31, 2021.</th> </tr> </thead> <tbody> <tr> <td>Resinova Chemie Limited</td> <td>3635</td> <td>4747</td> </tr> <tr> <td>Astral Biochem Private Limited</td> <td>(14.15)</td> <td>Nil</td> </tr> <tr> <td>Astral Limited</td> <td>16,435</td> <td>24,823</td> </tr> </tbody> </table>	Particulars	Net worth as on March 31, 2021.	Turnover as on March 31, 2021.	Resinova Chemie Limited	3635	4747	Astral Biochem Private Limited	(14.15)	Nil	Astral Limited	16,435	24,823
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<p>Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”;</p>	<p>The transaction of amalgamation of Resinova Chemie Limited with the Company would fall within related party transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The transaction shall not attract compliance with the requirements of Section 188 of the Companies Act, 2013 pursuant to the clarifications provided in General Circular No. 30/2014 dated July 17, 2014.</p> <p>The consideration for the Scheme will be discharged on an ‘arm’s length’ basis.</p>												
<p>Area of business of the entity(ies);</p>	<p>Resinova Chemie Limited (Transferor Company 1) is engaged in manufacturing and supplying highly diversified range of adhesives, sealants, putties, sanitizers, surface cleaners, disinfectants and construction chemicals used in various applications.</p>												

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	<p>Astral Biochem Private Limited (Transferor Company 2) is not carrying out any commercial activity currently.</p> <p>Astral Limited (Transferee Company) is engaged in manufacturing and supply of CPVC/ PVC/Corrugated pipes and fittings, which are widely used for piping requirements in different segments like plumbing, drainage, industrial, agriculture, infrastructure etc. and plastic water tanks.</p>
<p>Rationale for amalgamation/ merger;</p>	<ol style="list-style-type: none"> 1. Enhanced scale of operations and reduction in overheads, administrative, managerial, technology and other expenditure, operational rationalization, organizational efficiency and optimal utilization of various resources; 2. Improved shareholder value for both the companies by way of improved financial structure and cash flows, increased asset base and stronger consolidated revenue and profitability; 3. Enhanced leveraging capability of the combined entity which in turn will allow the combined entity to undertake future expansion strategies and to tap bigger opportunities in the industry; 4. Additional strength and greater focus to the operations and utilization of resources pursuant to consolidation of managerial expertise of the two companies; 5. Enhanced ability to utilize existing brand names of Astral providing better recognition and recall of the adhesive business across the country; 6. Explore greater synergies with increased distribution of adhesive products across the existing distributors network of Astral with efficient packaging and logistics across the country;; 7. Simplification of group structure by eliminating multiple companies and enabling increased focus on core competencies for greater shareholder value creation.

<p>In case of cash consideration – amount or otherwise share exchange ratio;</p>	<p>Amalgamation of Resinova Chemie Ltd.</p> <ul style="list-style-type: none"> - 69 (Sixty Nine) New Equity Shares of Re.1/- (Rupee One only) each credited as fully paid-up of the Transferee Company to be issued for every 1 (One) equity share of the face value of Rs.10/- (Rupees Ten only) each held by the shareholders (other than the Transferee Company itself) in the Transferor Company-1; <p>Amalgamation of Astral Biochem Pvt. Ltd.</p> <ul style="list-style-type: none"> - Entire equity share capital of Astral Biochem Pvt. Ltd. is held by Astral Limited so the same shall stand cancelled pursuant to the amalgamation and no shares shall be issued as consideration for the amalgamation. 												
<p>Brief details of change in shareholding pattern (if any) of listed entity.</p>	<p>Shareholding pattern of the Company pre and post Amalgamation:</p> <table border="1" data-bbox="660 981 1497 1144"> <thead> <tr> <th>Category</th> <th>Pre %</th> <th>Post%</th> </tr> </thead> <tbody> <tr> <td>Promoter Group</td> <td>55.74</td> <td>55.85</td> </tr> <tr> <td>Public</td> <td>44.26</td> <td>44.15</td> </tr> <tr> <td>Total</td> <td>100</td> <td>100</td> </tr> </tbody> </table>	Category	Pre %	Post%	Promoter Group	55.74	55.85	Public	44.26	44.15	Total	100	100
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Promoter Group	55.74	55.85											
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**ANNEXURE II
PRESS RELEASE
ASTRAL PROPOSES TO MERGE ITS INDIAN ADHESIVE ARM RESINOVA.**

Ahmedabad, Gujarat – June 7, 2021– Astral Limited (referred to as “ASTRAL” or the “Company”), today announced that the Board of Directors of ASTRAL approved the Scheme for Amalgamation of domestic Indian subsidiary companies namely Resinova Chemie Limited (RESINOVA) and Astral Biochem Private Limited (ABPL) with ASTRAL. ASTRAL holds 97.45% equity stake in RESINOVA and 100% equity stake in ABPL.

The proposed merger is a part of our long-term strategy to leverage the brand **ASTRAL**, create synergy between both the business and optimize the resources,

The Board of Directors is of the opinion that merging both the entities will provide many advantages for both the business. Key synergies are as follows;

- 1) The biggest advantage with this merger will be opening of **CROSS SELLING** opportunity of various products of both the companies within their existing dealers and distributor network. ASTRAL has its **850 Distributors & 33,000 Dealers** across the country while RESINOVA has **1,300 Distributors and 1,30,000 dealers** across the country. There are various product lines which can be supplied in cross channel but because of separate entities, it was not feasible to get the maximum advantage till now.
- 2) Company will be able to generate **BRANDING synergy** between both the business as now one brand “ASTRAL” will be marketed hence Company will be able to optimum utilize its branding budget.
- 3) RESINOVA’s Adhesive product portfolio will get the benefit of brand ASTRAL which is trusted and respectable brand in India for **more than 20 years**. This will open various avenues as Astral’s brand recall is very strong.



- 4) Huge **advantage of Logistic** Cost due to consolidations of various warehouses across the country for both the businesses.
- 5) Consolidations of various support functions like accounts, finance, admin, HR and IT will help in **reduction in duplication of efforts**. Marketing team of both the businesses will get sync internally to create better business opportunities.
- 6) ASTRAL has **huge DATA Bank of plumbers /dealers / contractors /architects** through **its Loyalty Program and DMS**. Which will be a great help to adhesive business to scale up its business to next level as many dealer counters are using adhesive product range of competitors.
- 7) ASTRAL is using **various MIS and DMS software** which are proven and tested which can be readily extended to RESINOVA team to help them to scale up adhesive business.
- 8) RESINOVA procurement team will get the benefit of brand ASTRAL along with financial strength which will help in getting **better pricing advantage**. Various common procurement will be managed through single source which will get the advantage of higher quantum.
- 9) Lots of legal compliances (Companies Act / Income Tax / GST are handled by two different professional teams because of two separate companies. Now with merger it can be handled by single team and it will be **more effective & cost saving**.
- 10) Due to consolidation of two companies the financial structure and **cash flow management** will be improved to a great extent. Company can get rid of Inter Company transactions & domestic transfer pricing challenges. This will further improve investors' confidence.



Merger Scheme Details :

1. Shareholders of RESINOVA. i.e. Mr. Sandeep Engineer Jt. with Mrs. Jagruti Engineer will receive 5,17,500 equity shares of Rs.1/- each of ASTRAL against the 7500 equity shares of Rs.10 each held in RESINOVA under the scheme of amalgamation. (Exchange Ratio 69:1). Balance Equity Shares of RESINOVA held by ASTRAL i.e. 2,86,395 shares will get cancelled due to Holding Company.
2. ASTRAL is holding 100% share of ABPL. Hence it will also get cancelled due to 100% holding company.
3. Post-Amalgamation Promotor group holding of ASTRAL shall increase from 55.74% to 55.85% and public holding shall decrease from 44.26% to 44.15%.
4. Appointed Date of Merger would be 1st April 2021 and merger process is expected to be completed by Q-4 FY 2021-22.
5. The merger is subject to certain conditions including approval from Stock Exchanges, SEBI, National Company Law Tribunal (NCLT), Shareholders, Creditors, and other applicable statutory authorities.

To view the press release, please click on the link given below:

[Investor Relations – Astral Pipes](#)

Media Contact Details

Mr. Hiranand Savlani

Chief Financial Officer

079-66212000

hiranand@astralcpvc.com

