

Indokem Limited

(CIN NO.: L31300MH1964PLC013088)

Registered Office :
"KHATAU HOUSE", Ground Floor,
Mogul Lane, Mahim (West),
Mumbai - 400 016.

Phone : 61236767
Fax : 61236718
Website : www.indokem.co.in

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Respected Sir/ Madam,

Scrip Code: 504092

Subject: Submission of the Notice of the National Company Law Tribunal convened meeting of the Equity Shareholders of the Company and intimation of Cut-off date for E-voting

**Ref: Company Appeal No. CA(CAA)/191(MB)/2022
In the matter of Scheme of Amalgamation of Refinol Resins and Chemicals Limited (Transferor Company) with Indokem Limited (Transferee Company) and their Respective Shareholders**

Notice is hereby given in pursuance of sub-section (5) of section 230 of the Companies Act, 2013, that as directed by the Mumbai Bench of the National Company Law Tribunal at Mumbai by an order dated the 26th day of August, 2022, under sub-section (1) of section 230 of the Act, a meeting of the Equity Shareholders of the Indokem Limited (Transferee Company) shall be held through video conferencing ('VC') / other audio visual means ('OAVM') on Tuesday, the 11th day of October, 2022 at 10.30 A. M. and the remote e-voting period will commence from 8th day of October, 2022 at 09:00 A.M and end on 10th day of October, 2022 at 05:00 PM. Cut-off date for e-voting is 4th day of October, 2022 to consider Scheme of Amalgamation between Indokem Limited (Transferee Company) and Refinol Resins and Chemicals Limited (Transferor Company) and their respective Shareholders.

In accordance with Regulation 30 of the securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, Please find enclosed herewith, a copy of the Notice of the Tribunal Convened Meeting of the Equity Shareholders of the Company.

Thanking You,
Yours Truly,
For **INDOKEM LIMITED**



Rajesh D. Pisal
Company Secretary and Compliance Officer
Mumbai, 8th September, 2022



Encl: As above



Indokem Limited

(CIN: L31300MH1964PLC013088)

Registered Office: Khatau House, Plot No. 410, Mogul Lane, Mahim, Mumbai 400016, Maharashtra, India.

Tel No: 022-61236767 **Fax No:** 022-61236718

Email: iklsecretarial@gmail.com **Website:** <https://www.indokem.co.in/>

NOTICE OF MEETING OF THE EQUITY SHAREHOLDERS OF INDOKEM LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH, MUMBAI ('NCLT' OR 'TRIBUNAL')

Day	Tuesday
Date	11 th October 2022
Time	10:30 a.m.
Mode of Meeting	As per the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench, the meeting shall be conducted through Video conferencing (VC) or Other Audio-Visual Means ("OAVM")
Cut-off date for e-voting	Tuesday, 4 th October 2022

REMOTE E-VOTING

Commencing on	8 th October, 2022 (Saturday) at 9:00 a.m. (09:00 hours) (IST)
Ending on	10 th October, 2022 (Monday) at 5:00 p.m. (17:00 hours) (IST)

Volume 1 – Notice and Explanatory Statement

S. No.	Contents	Pages
1.	Notice of the Meeting of the Equity Shareholders of Indokem Limited under the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 and any amendments thereto, convened as per the directions of the National Company Law Tribunal, Mumbai	1-8
2.	Explanatory Statement under Section 230(3) read with Section 102 and other applicable provisions of the Companies Act, 2013	9-24
3.	Annexure A Scheme of Amalgamation of Refnol Resins and Chemicals Limited ("Transferor Company" or "Refnol") with Indokem Limited ("Transferee Company" or "Indokem") and their Respective Shareholders. ('Scheme' or 'the Scheme')	25-39
4.	Annexure B Valuation Report dated 14 th January 2022 issued by Mr. Niranjan Kumar, Independent Registered Valuer, describing the methodology adopted by him in arriving at the share exchange ratio.	40-54
5.	Annexure C Fairness Opinion dated 14 th January 2022 issued by Kunvarji Finstock Private Limited, a SEBI Registered Merchant Banker, providing the Fairness Opinion on the share exchange ratio	55-64
6.	Annexure D Observation Letter dated 30 th May 2022 from BSE Limited	65-66
7.	Annexure E Complaints Report filed with the BSE Limited dated 1 st March 2022	67-69
8.	Annexure F1 and F2 Limited Review Results of Indokem Limited together with the Limited Review Results of Refnol Resins and Chemicals Limited as on 30 th June 2022	70-77
9.	Annexure G1 and G2 Report adopted by the Board of Directors of Indokem Limited and Refnol Resins and Chemicals Limited pursuant to Section 232(2)(c) of the Companies Act, 2013 explaining the effect of the Amalgamation etc.	78-79
10.	Annexure H Details of ongoing adjudication and recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors.	80

The Notice of the Meeting, Statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules (page nos. 1 to 24) and Annexure A to Annexure H (page nos. 25 to 80) constitute a single and complete set of documents and should be read together as they form an integral part of this document.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
FORM NO. CAA. 2
[PURSUANT TO SECTION 230 (3) AND RULE 6 AND 7)]
CA(CAA)/191(MB)/2022
IN THE MATTER OF SECTION 230 TO 232 OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
OF
REFNOL RESINS AND CHEMICALS LIMITED
(TRANSFEROR COMPANY)
WITH
INDOKEM LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS**

Indokem Limited, a Public Limited Company incorporated }
under the provisions of Companies Act, 1956 having its }
registered office at Plot no. 410/411, }
Khatau House, Mogul Lane, }
Mahim, Mumbai – 400016. }
CIN: L31300MH1964PLC013088 }

... Applicant Company/ Transferee Company

NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF INDOKEM LIMITED

To,

The Equity Shareholders of Indokem Limited

1. **NOTICE** is hereby given that, in accordance with the Order dated 26th August 2022, (the 'Order') in the above mentioned Company Application, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench, a meeting of the Equity Shareholders of the Applicant Company, will be held "through video conferencing ("VC") or Other Audio-Visual Means ("OAVM")" for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of Refnol Resins and Chemicals Limited with Indokem Limited and their respective Shareholders ('Scheme' or 'the Scheme') on Tuesday, 11th October 2022 at 10:30 a.m. IST.
2. Pursuant to the said Order and as directed therein, the Meeting of the Equity Shareholders of the Company ("Meeting") will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in compliance with the applicable provisions of the Companies Act, 2013 ("Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") to consider, and if thought fit, to pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act and SEBI Master Circular No. SEBI/HO/CFD/DIL1/ CIR/P/2021/0000000665 dated 23rd November, 2021, as amended:

"RESOLVED THAT pursuant to the provisions of Sections 230 and 232 of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) and circulars issued thereof, for the time being in force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble jurisdictional National Company Law Tribunal ("Tribunal") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the parties to the Scheme, at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the arrangement embodied in the Scheme of Amalgamation of Refnol Resins and Chemicals Limited with Indokem Limited and their respective shareholders ("Scheme"), be and is hereby approved;

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the amalgamation embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Tribunal while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

3. TAKE FURTHER NOTICE that the Equity Shareholders shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes(a) through e-voting system available at the Meeting to be held virtually (“e-Voting at the Meeting”); or (b) by remote electronic voting (“remote e-Voting”) during the period as stated below:

REMOTE E-VOTING PERIOD	
Commencement of voting	8 th October 2022 (Saturday) at 9:00 a.m. (09:00 hours) (IST)
End of voting	10 th October 2022 (Monday) at 5:00 p.m. (17:00 hours) (IST)

4. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e., Tuesday, 4th October 2022, only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not an Equity Shareholder as on the cut-off date, should treat the Notice for information purpose only.
5. A copy of the said Scheme, statement under Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the CAA Rules along with all annexures to such statement are appended. A copy of this Notice and the accompanying documents are also placed on the website of the Company and can be accessed at <https://www.indokem.co.in/>; the website of National Securities Depository Limited (“NSDL”) viz. www.evoting.nsdl.com, being the agency appointed by the Company to provide the e-voting and other facilities for convening of the Meeting and the website of the Stock Exchange i.e., BSE Limited (“BSE”) viz. www.bseindia.com.
6. The Tribunal has appointed Mr. M. Raghunatha Bhat, ICLS, Former Regional Director, MCA to be the Chairperson for the Meeting and Mrs. Samita Tanksale, Practicing Company Secretary to be the Scrutinizer.
7. The Scheme, if approved at the aforesaid Meeting, will be subject to the subsequent sanction of the Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

Dated this the 2nd day September, 2022

Place: Mumbai

Sd/-

Mr. M. Raghunatha Bhat

Chairperson Appointed by the Tribunal for the Meeting

Indokem Limited

CIN: L31300MH1964PLC013088

Registered Office: Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016

Website: <https://www.indokem.co.in/>

E-mail: iklsecretarial@gmail.com

Tel.: 022-61236767

Fax: 022-61236718

Notes for Meeting of Equity Shareholders of the Company:

- 1 General instructions for accessing and participating in the Meeting through VC/OAVM Facility and voting through electronic means including remote e-voting**
- a. Pursuant to the Order passed by the NCLT, Meeting of the Equity Shareholders of the Company will be held through VC/OAVM
 - b. Since the meeting is being held pursuant to the Order passed by the NCLT and MCA Circulars through VC/OAVM, physical attendance of the Equity Shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the Equity Shareholders will not be available for the Meeting. However, in pursuance of Section 113 of the Act, authorized representatives of institutional/ corporate shareholders may be appointed for the purpose of voting through remote e-voting, for participation in the Meeting through VC/OAVM facility and e-voting during the Meeting provided that such shareholder sends a scanned copy (PDF/JPG Format) of its board or governing body resolution/authorization etc., authorizing its representative to attend the Meeting through VC/OAVM on its behalf, vote through e-voting during the Meeting and/or to vote through remote e-voting, on its behalf. The scanned image of the abovementioned documents should be in the name format 'INDOKEM'. The said resolution/authorization shall be sent to the scrutinizer by email through his registered email id address to pcssamitatankale@gmail.com and to the Company at iklsecretarial@gmail.com, before the VC/OAVM Meeting or before the remote e-voting, as the case may be. The corporate shareholders can also upload documents in NSDL e-voting system for verification by scrutinizer.
 - c. The proceedings of this Meeting would be deemed to have been conducted at the registered office of the Company located at Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016, Maharashtra, India.
 - d. The quorum of the Meeting of the Equity Shareholders of the Company shall be 30 (Thirty) Equity Shareholders of the Company. The Equity Shareholders attending the Meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
 - e. The aforesaid particulars are being sent (i) through electronic mode to those Equity Shareholders whose e-mail IDs are registered with the Company Registrar & Share Transfer Agent (RTA) i.e. Link Intime India Private Limited or Depositories or the Company. The aforesaid particulars are being sent to all the Equity Shareholders whose names appear in the register of members/list of beneficial owners as on 02nd September 2022.
 - f. National Securities Depository Limited ("NSDL"), e-voting agency, will provide the facility for voting by the Equity Shareholders through remote e-voting, for participation in the Meeting through VC/OAVM and e-voting during the Meeting.
 - g. All the documents referred to in the accompanying explanatory statement, shall be available for inspection through electronic mode during the proceedings of the Meeting. Equity Shareholders seeking to inspect copies of the said documents may send an email at iklsecretarial@gmail.com. Further, all the documents referred to in the accompanying explanatory statement shall also be open for inspection by the Equity Shareholders at the registered office of the Company during working hours on all working days up to 1 (One) day prior to the date of the Meeting.
 - h. The Notice convening the Meeting will be published through advertisement in 'Business Standard' in English having nation-wide circulation, and 'Mumbai Lakshadeep' in Marathi having circulation in Maharashtra.
 - i. The Scheme shall be considered approved by the Equity Shareholders of the Company if the resolution mentioned in the Notice has been approved by majority of persons representing three-fourth in value of the Equity Shareholders voting at the Meeting through VC/OAVM or by remote e-voting, in terms of the provisions of Sections 230 to 232 of the Act.

In addition to the above, the Scheme shall be acted upon only if the votes cast by the public shareholders of the Company in favour of the resolution mentioned in the Notice are more than the number of votes cast by the public shareholders of the Company against it.
 - j. Since the Meeting will be held through VC/OAVM in accordance with the Order passed by NCLT, the route map, proxy form and attendance slip are not attached to this Notice.
 - k. The voting rights of the Equity Shareholders shall be in proportion to their shareholding of the paid up equity share capital of Indokem Limited as on Cut-Off Date, i.e. 4th October 2022.
 - l. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-Off Date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the Meeting.
 - m. Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Equity Shareholders holding shares in electronic form are requested to submit their PAN to their Depository Participants, and those holding shares in physical form are requested to submit their PAN to the Company's RTA.
 - n. All grievances connected with the facility for voting by electronic means may be addressed to evoting@nsdl.co.in or call on toll free no.: 1800 1020 990 or 1800 22 44 30.

2 Procedure for joining the Meeting through VC / OAVM

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;">  App Store  Google Play </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.
 10. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. Tuesday, 4th October, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990** and **1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Tuesday, 4th October, 2022, may follow steps mentioned in the Notice of the EOGM under “Access to NSDL e-Voting system”.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pccsamitatanksale@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **“Forgot User Details/Password?”** or **“Physical User Reset Password?”** option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal or Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to iklsecretarial@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to iklsecretarial@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step **1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

3 Information and instructions for e-voting facility at the Meeting

- a) Facility to cast vote through e-voting at the Meeting will be made available on the video conference screen during the Meeting.
- b) Those Equity Shareholders, who will be present in the Meeting through VC/OAVM facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting facility during the Meeting.

Other Information:

- a) Pursuant to Tribunal Order, Mrs. Samita Tanksale, C. P. No. 10763, Practicing Company Secretary, shall act as Scrutinizer to scrutinize the process of remote e-voting and e-voting at the Meeting in a fair and transparent manner.
- b) The Scrutinizer will, after the conclusion of e-voting at the Meeting, scrutinize the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutinizer's Report and submit the same to the Chairperson of the Meeting. The results of the Meeting shall be announced by the Chairperson within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutinizer's Report, will be placed on the website of the Company i.e. www.indokem.co.in and on the website of NSDL at www.evoting.nsdl.com. The Company shall also submit the results to the Stock Exchange and the same be placed on the website at www.bseindia.com.
- c) Subject to receipt of requisite majority of votes in favour of the Scheme i.e., majority in number representing three-fourth in value (as per Sections 230 to 232 of the Act) and the votes cast by the public shareholders of the Company in favour are more than the number of votes cast by the public shareholders of the Company against it (as per SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November 2021), the Resolution shall be deemed to have been passed on the date of the Meeting i.e. Tuesday, 11th October 2022.
- d) **Equity Shareholders are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting, manner of casting vote through remote e-Voting or e-Voting at the Meeting.**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
FORM NO. CAA. 2
[PURSUANT TO SECTION 230 (3) AND RULE 6 AND 7)]
CA(CAA)/191(MB)/2022
IN THE MATTER OF SECTION 230 TO 232 OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF SCHEME OF AMALGAMATION
OF
REFNOL RESINS AND CHEMICALS LIMITED
(TRANSFEROR COMPANY)
WITH
INDOKEM LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS**

Indokem Limited, a Public Limited Company incorporated }
under the provisions of Companies Act, 1956 having its }
registered office at Plot no. 410/411, }
Khatau House, Mogul Lane, }
Mahim, Mumbai – 400016 }
CIN: L31300MH1964PLC013088 }

... Applicant Company/ Transferee Company

STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 READ WITH SECTION 102 OF THE COMPANIES ACT 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF INDOKEM LIMITED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

1. Pursuant to the Order dated 26th August 2022, passed by Hon'ble National Company Law Tribunal, Mumbai Bench in the Company Application CA(CAA)/191(MB)/2022, a meeting of the Equity Shareholders of the Applicant Company is scheduled to be held on Tuesday, 11th October 2022 at 10:30 a.m. to obtain their approval to the Scheme of Amalgamation of Refnol Resins and Chemicals Limited with Indokem Limited and their respective Shareholders ('Scheme' or 'the Scheme').
2. The Hon'ble National Company Law Tribunal, Mumbai Bench, by an Order dated 26th August 2022 was pleased to issue directions for convening of the meeting of the Equity Shareholders of the Applicant Company "Video Conferencing ("VC") or "Other Audio-Visual Means" ("OAVM")" on Tuesday, 11th October 2022 at 10:30 a.m. to be presided over by Mr. M. Raghunatha Bhat as the Chairperson of the Meeting. The said Order will be available for inspection at the Registered Office of the Applicant Company at Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016, Maharashtra, India on any working day of the Company up to the date of meeting, after receipt from the Tribunal.
3. In addition to the meeting of the Equity Shareholders of the Applicant Company convened on the directions of the National Company Law Tribunal, to seek the approval of the said Shareholders pursuant to Section 230 read with Section 232 of the Companies Act, 2013 further read with other relevant provisions of the Companies Act, 2013, approval of the Equity Shareholders of the Applicant Company is also sought by way of remote e-voting as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Circulars and the Companies Act, 2013.
4. The Board of Directors of the Transferor Company in their meeting held on 15th January 2022 have approved the Scheme of Amalgamation, while the Board of Directors of the Transferee Company in their meeting held on 15th January 2022 have approved the scheme of amalgamation under which the entire undertaking of the Transferor Company will get amalgamated with the Transferee Company. A copy of the Scheme, setting out the terms and conditions of the amalgamation as approved by the Board of Directors of Refnol Resins and Chemicals Limited (Transferor Company) and Indokem Limited (Transferee Company) is enclosed herewith as **Annexure A**. The proposed scheme is envisaged to be effective from the Appointed Date but shall be made operative from the Effective Date (as defined in the Scheme).

5. Particulars of the Companies

5.1. Indokem Limited

5.1.1. Indokem Limited, the Transferee Company, is a public limited company incorporated under the Companies Act, 1956 on 22nd December 1964 in the State of Maharashtra. The Corporate Identity Number of the Transferee Company is L31300MH1964PLC013088 and the PAN is AAACI2959M. The e-mail address of the Company is iklsecretarial@gmail.com. The Applicant Company is engaged in the business of manufacturing and dealing in dyes, sizing chemicals, auxiliaries in textile industry and electrical capacitors and is a publicly listed company whose share are listed on the BSE Limited. The registered office of the Transferee Company is at Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016, Maharashtra, India. During the last five years, there has been no change in the name and registered office of the Transferee Company.

5.1.2. The main objects of the Applicant/Transferee Company are as follows:

- a. To carry on the business of manufacturers, importers and exporters of and sellers of and dealers in wires, conductors, copper, aluminum steel reinforced or otherwise, cables and wires (paper-insulated, thermoplastic insulated or otherwise), mains, pipes, flexible cords (using rubber), polyvinyl chloride, paper, or any other insulation and/or covering material and lines of all kinds, Capacitors, accumulators, dynamos, lamps, exchanges, telephones, and other apparatus and equipments, articles and things, electricians electric and mechanical engineers and contractors and manufacturers and dealers in railway, tramway, electric, magnetic, galvanic, telegraphic, telephonic, power supply and other apparatus mechanical and chemical engineers and in all apparatus, machines, equipments, articles and things required for or capable of being used in connection with the generation, accumulation, storage, distribution supply and employment of electricity or other energy for signaling, lighting, heating, cooling, air- conditioning refrigeration sound and power or them compressed air, gas, steam, oil, or any of them or otherwise.
- b. To carry on the business of manufacturer, buyers, sellers, importers and exporters and dealers in capacitors including condensers, accumulators furnaces, isolators, dynamos, lamps, electric motors, switch boards, panels and all other kind of apparatuses, machines, equipments, articles and things required for or capable of being used in connection with the generation, accumulation, storage, supply and distribution of electricity or any other form of energy and also in electrical, mechanical, chemical industrial and consumer goods, wires, conductors, coppers, aluminium, steel reinforced or otherwise, cable, mains, pipes, flexible cords, paper and other insulation.
- c. To carry on the business of electrical engineers, electricians, electrical contractors, jobbers, erectors and to carry on contracts and jobs in connection with all types of capacitors and to provide all types of goods, systems and services in relation to the same.
- d. To carry on the business of exporters, importers, buyers, sellers, traders, distributors, dealers, wholesalers, retailers, indenters, marketers, re exporters of all types of materials such as dyes, dyestuff, chemicals, chemical compounds and elements of any kind (solid, liquid or gaseous) of all types, organic, inorganic, chemical products, intermediaries, solvents, fermentation products, synthetic chemicals, catalysts, laminates, polyethylene, pesticides, fungicides, herbicides, colouring chemicals, pigments, varnishes, paints, industrial chemicals and dyes, lacqueres, synthetic detergents, synthetic dyes and chemicals, insecticides, all kinds of footwears, footwear components, all kinds of leather goods and its products, readymade garments, sportswear, apparels, of all kinds, types and varieties thereof, canvas products, sports equipments, rubber products, nylon products, cotton woolen, silk, synthetic leather textile and garments, apparel thereof, textile auxiliaries, household and consumer products, electric, electric and electronic products and components, computers, computer soft and hardware components thereof, drugs, glassware, bulk drugs, laboratory equipments and in general export, import and trade in traditional and non- traditional items, and products of all kinds including industrial, agricultural, plantation, horticultural products, all kinds of consumable, household commodities, cosmetics, medicines and hospital equipments, sports goods, machineries, equipments, steel and iron products, preservatives, paper and stationery, automobile parts, canned foods and its products, frozen food products, sea foods, of every kind and varieties, marine products, soft drinks, syrups, dry fruits, spices, all kinds of plantation and agricultural produce and seeds, horticultural produce, garden produce, vegetables, dairy and poultry produce and fruits, flowers, all types of audio, visual and sound equipments and products. all kinds of acids, salts, fertilizers, all kinds of mining products such as iron, pig iron, manganese, bauxites, soapstones, marbles and its products, gems, jewels, precious stones, all kinds of varieties and types of traditional and non-traditional handicrafts and handmade products and to act as export house.”

5.1.3. The authorised, issued, subscribed and paid up capital of the Applicant/ Transferee Company as on 31st March 2022 is as follows:

Particulars	Amount in Rs.
Authorised Share Capital:	
2,43,25,600 Equity Shares of Rs. 10 each	24,32,56,000
21,00,000 8% Non-cumulative Redeemable Preference Shares of Rs. 10 each	2,10,00,000
Total	26,42,56,000

Particulars	Amount in Rs.
Issued, Subscribed and Paid Up:	
2,43,25,600 Equity Shares of Rs. 10 each	24,32,56,000
20,70,975 8% Non-cumulative Redeemable Preference Shares of Rs. 10 each	2,07,09,750
Total	26,39,65,750

There has been no change in the authorized, issued, subscribed and paid up share capital of the Transferee Company, from 31st March 2022 till date.

5.1.4. The details of the directors and Promoters of the Applicant/ Transferee Company along with their addresses are as follows:

S. No.	Name	Designation	Address
Promoter & Promoter Group			
1	Asha Marine Products Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
2	Emerald Capital Services Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
3	Khatau Holdings and Trading Company Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
4	MKK Holdings Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
5	Prism Plantations Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
6	Priyanilgiri Holdings Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
7	Vindhyapriya Holdings Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
8	Mahendra Kishore Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
9	Leelabai Kishore Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
10	Asha Mahendra Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
11	Shreya S. Singhanian	Promoter	Shreevardhan CHSL., 16 th Floor, 95-B, Bhulabhai Desai Road, Mumbai – 400026.
12	Priya Mahendra Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
13	Manish Mahendra Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
14	Anil Kishore Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
15	Neomy Anil Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
16	Ilesha Anil Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
Directors			
17	Mahendra Kishore Khatau	Chairman and Managing Director	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
18	Manish Mahendra Khatau	Whole-time Director	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
19	Asha Mahendra Khatau	Non-executive Director	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
20	Kailash Pershad	Non-executive Independent Director	Humility, Plot 84, Road No. 9, Jubilee Hills, Hyderabad – 500033.
21	Bhalchandra Gopinath Sontakke	Non-executive Independent Director	Janki Apt., 1 st Floor, Near Dr. Mhaskar's Hospital, Rambaug, Kalyan – 421304.
22	Rahul Singh	Non-executive Independent Director	C/133, Mira Darshan Complex, MTNL Road, Mira Road East, Thane – 401107.

5.2. Refinol Resins and Chemicals Limited

5.2.1. Refinol Resins and Chemicals Limited, the Transferor Company, is a Public Limited Company incorporated under the Companies Act, 1956 on 1st December 1980 in the State of Maharashtra. The Corporate Identity Number of the Transferor Company is L24200MH1980PLC023507 and the PAN is AAACR3475P. The e-mail address of the Company is secretarial@refinol.com. The Transferor Company is engaged in the business of manufacturing and marketing of resins and chemicals and is a publicly listed company whose share are listed on the BSE Limited. The registered office of the Transferor Company is at Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016, Maharashtra, India. During the last five years, there has been no change in the name and registered office of the Transferor Company.

5.2.2. The main objects of the Transferor Company are as follows:

- To carry on in India and or elsewhere the business of Refining of used oils
- To carry on in India and or elsewhere the business or business of Manufacturing of and Dealers in derivatives in the process of re-finishing of oil such as wax, petroleum-jelly, greases, paraffin and other fractions obtained in the distillation of oils.

5.2.3. The authorised, issued, subscribed and paid up capital of the Transferor Company as on 31st March 2022 is as follows:

Particulars	Amount in Rs.
Authorised Share Capital:	
40,00,000 Equity Shares of Rs. 10 each	4,00,00,000
Total	4,00,00,000
Issued:	
35,23,500 Equity Shares of Rs. 10 each	3,52,35,000
Subscribed:	
30,89,900 Equity Shares of Rs. 10 each fully paid-up	3,08,99,000
Add: 4,33,600 Equity Shares Forfeited Shares	21,68,000
Total	3,30,67,000

There has been no change in the authorized, issued, subscribed and paid up share capital of the Transferor Company, from 31st March 2022 till date.

5.2.4. The details of the directors and Promoters of the Transferor Company along with their addresses are as follows:

S. No.	Name	Designation	Address
Promoter & Promoter Group			
1	Khatau Leasing and Finance Company Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
2	Prism Plantations Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
3	Vindhyapriya Holdings Private Limited	Promoter Group	Khatau House, Plot 410, Mogul Lane, Mahim, Mumbai – 400016.
4	Mahendra Kishore Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
5	Asha Mahendra Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
6	Priya Mahendra Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
7	Manish Mahendra Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
8	Anil Kishore Khatau	Promoter	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
Directors			
9	Mahendra Kishore Khatau	Chairman	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
10	Arupkumar Basu	Managing Director	704, Serene Apartments, Next to Shaligram 3, Prahladnagar, Ahmedabad – 380015.
11	Asha Mahendra Khatau	Non-executive Director	6, Manav Mandir Road, Walkeshwar, Malabar Hill, Mumbai – 400006.
12	Mukund Ramchandra Nagpurkar	Non-executive Independent Director	6, Savitri Niwas, Bhimani Street, Matunga, Mumbai – 400019.

S. No.	Name	Designation	Address
13	Bhalchandra Gopinath Sontakke	Non-executive Independent Director	Janki Apt., 1 st Floor, Near Dr. Mhaskar's Hospital, Rambaug, Kalyan – 421304.
14	Rahul Singh	Non-executive Independent Director	C/133, Mira Darshan Complex, MTNL Road, Mira Road East, Thane – 401107.

6. Relationship subsisting between the Companies who are parties to the Scheme of Amalgamation

Both the companies have common Promoter and Promoter Group.

7. Rationale and Benefits of the Scheme of Amalgamation

The Transferor Company and the Transferee Company are engaged in similar lines of business and complement each other. With an intent to expand the business and achieve larger product portfolio, economies of scale, efficiency, optimisation of logistics and distribution network and other related economies by consolidating the business operations being managed by different management teams, the Board of Directors of the Transferor Company and the Transferee Company propose to consolidate the business of the Transferor Company with the Transferee Company. The proposed amalgamation of the Transferor Company with Transferee Company would inter alia have the following benefits:

1. Creation of a combined entity, hosting all products under the Transferee Company, thereby resulting in diversified portfolio of products, economies of scale, operational rationalization, efficiency of management and maximizing value for the shareholders.
2. Greater synergies between businesses and optimum use of manufacturing facilities, marketing strength, R & D facilities, Certifications resulting in productivity gains thereby maximizing value for the shareholders.
3. Optimum use of infrastructure and organizational efficiency by pooling of financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of Transferor Company and Transferee Company thereby significantly contributing to the future growth and maximizing shareholder value.
4. Better financial leverage, resulting in greater efficiency in cash and debt management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to realize higher profits for the combined entity.
5. Improved organizational capability and leadership, arising from the pooling of human capital, who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
6. Cost savings because of standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.
7. Reduction in regulatory and legal compliances and avoidance of multiple records keeping.
8. Strengthening ability to face increasing competitive, regulatory, environmental and global risks; thereby resulting in sustainable and profitable long term growth for the combined entity.

8. The salient features of the Scheme are as follows:

PART – I

DEFINITIONS, SHARE CAPITAL AND DATE OF OPERATION OF SCHEME

1. Definitions

- 1.3 **“Appointed Date”** means the 01st April 2021 or such other date as may be determined by the Board of Directors of the Transferor Company and Transferee Company or such other date as may be fixed or approved by the Appropriate Authority, being the date with effect from which this Scheme shall be deemed to be effective;
- 1.6 **“Effective Date”** means the date on which the authenticated copies or certified copies of the Order of NCLT under Sections 230-232 of the Act sanctioning the Scheme is filed with Registrar of Companies by the Transferor Company and Transferee Company. References in this Scheme to date of “coming into effect of the Scheme” or “upon the Scheme becoming effective”, or “effectiveness of the Scheme” and other similar expressions shall mean the Effective Date;
- 1.13 **“Scheme” or “the Scheme” or “this Scheme” or “Scheme of Amalgamation”** means this Scheme of Amalgamation in its present form submitted to the NCLT or with any modification(s) made under Clause 19 of this Scheme or with such other modifications/amendments as the NCLT may direct;

PART – II

Amalgamation of Transferor Company with the Transferee Company

5. Transfer and Vesting of Undertaking

- 5.1. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all properties, assets, liabilities and Undertaking(s) of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, of the Act and also in accordance with section 2(1B) of the IT Act, without any further deed or act, subject to existing charges or lis pendens, if any thereon, in favour of banks/financial institutions.
- 5.2. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all immovable property (Including but not limited to property situated at Plot no. 23, Phase III, G.I.D.C., Naroda, Ahmedabad – 382 330 (including land, buildings and any other immovable property) of the Transferor Company, whether freehold or leasehold, and any documents of title, rights, agreements to sell / agreements of sale and easements in relation thereto, shall stand vested in the Transferee Company, without any act or deed done by the Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation / substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Transferor Company shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.
- 5.3. Notwithstanding anything contained in this Scheme, with respect to the immovable properties in the nature of land and buildings situated in India, whether owned or leased, for the purpose of, inter alia, payment of stamp duty, registration fees or other similar taxes or fees, if the Transferee Company so decides, the Transferor Company and Transferee Company, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty, registration fees or other similar taxes or fees (if required under applicable law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme
- 5.4. All lease and license agreements, if any, entered into by the Transferor Company with landlords, owners and lessors in connection with the use of the assets of the Undertaking, together with security deposit, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions, subject to applicable law, without any further act, instruments, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent amounts as provided for in such agreement and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreement by the Transferor Company.
- 5.5. Without prejudice to the generality of the foregoing, with effect from the Appointed Date, it is expressly provided that in respect of such of the assets of the Transferor Company that are movable in nature and / or are otherwise capable of transfer by manual or constructive delivery and / or endorsement and delivery or novation, the same shall be deemed to have been so transferred by Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of section 230 to 232 of the Act, without any further act, instrument, deed, matter or thing.
- 5.6. In respect of movables other than those dealt with in Clause 5.5 above including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, property development rights, investments (including overseas investments), earnest money and deposits with any Government, quasi Government, local or other authority or body or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositee, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).
- 5.7. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all liabilities relating to and comprised in the Undertaking of Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing.
- 5.8. The transfer and vesting as aforesaid shall be subject to subsisting charges, if any, in respect of any assets of Transferor Company.

- 5.9. PROVIDED always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed by the Transferor Company and Transferee Company shall not be obliged to create any further or additional security in relation to subsisting charges, if any, thereof after the date of approval of this Scheme by the NCLT or otherwise.
- 5.10. Upon the Scheme becoming effective, all staff, workmen and employees as detailed under Clause 1.21(xii) above in relation to the Transferor Company shall become the staff, workmen and employees of the Transferee Company, without any further act or deed to be done by the Transferor Company or the Transferee Company.
- 5.11. Upon approval of the Scheme by the Tribunal, the Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.
- 5.12. Pursuant to this Scheme becoming effective, the Transferee Company shall be entitled to secure the record of the change in the legal ownership upon the vesting of the assets of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act. The Transferor Company and the Transferee Company shall be jointly and severally authorized to execute any writings and / or carry out any formalities or compliance in this regard.
- 5.13. All taxes, duties, cess payable by the Transferor Company including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Transferee Company.
- 5.14. All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, patents, claims, leases, tenancy rights, liberties, special status and other benefits or privileges 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 before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- 5.15. All the Insurance policies registered in the name of the Transferor Company which are active as on the date of approval of the Scheme by the Tribunal and which can be transferred/assigned shall, pursuant to the provisions of Section 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company and accordingly, the insurance Companies shall record the name of the Transferee Company in all the insurance policies registered in the name of the Transferor Company so as to ensure that all the rights and privileges under all such policies available to the Transferor Company and / or to any other person/director/employee of such Transferor Company, whether in the capacity of the Policy Holder or Owner or Insured or the Beneficiary, as the case may be, be available to the benefit of the Transferee Company and / or to any other person/director/employee of Transferee Company, as the case may be, on the same terms and conditions as they were applicable to the Transferor Company concerned and upon such transfer/ assignment, all such policies shall be effective in favour of the Transferee Company as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. However, for the insurance policies which do not permit such transfer/assignment, the Transferee Company may make fresh application(s) to the concerned authority/ insurance Company(ies) on such terms and conditions as may be prescribed. It is hereby clarified that all the costs and / or expenses and / or premiums in relation to the transfer/assignment/of the insurance policies in the name of Transferor Company shall be borne by the Transferee Company and the Transferor Company shall have no further obligations in this regard.
- 5.16. All the brands and trademarks (including logo and right to use the trademarks) of the Transferor Company including registered and unregistered trademarks, along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks, and all such other industrial and intellectual property rights of whatsoever nature shall stand transferred to and vest in and deemed to be transferred to and vested in the Transferee Company. The Transferee Company shall take such actions as may be necessary and permissible to get the same transferred and / or registered in the name of the Transferee Company.
- 5.17. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all existing and future incentives, un-availed credits and expenditures, exemptions and deductions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT credit under the IT Act), excise (including Modvat / Cenvat), customs, VAT, sales tax, service tax, GST including the IGST input tax credit, CGST input tax credit and SGST input tax credit for the registrations of the Transferor Company in all the states, to which the Transferor Company are entitled to shall be available to and vest in the Transferee Company and deemed to be available to and vested in the Transferee Company.

- 5.18. The Transferee Company shall file relevant intimations, for the record of the statutory authorities signifying the transfer of the assets / properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of the Transferor Company.
- 5.19. It is hereby clarified that all assets and liabilities appearing in the books of account of the Transferor Company as on the Appointed Date which are set forth in the closing balance sheet of the Transferor Company as of the opening of business hours on the Appointed Date shall be transferred to Transferee Company.
- 5.20. The Transferee Company shall, under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.

8. CONDUCT OF BUSINESS UNTIL AND AFTER EFFECTIVE DATE

- 8.1. With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire business for and on account of and in trust for the Transferee Company;
- i. Carry on the business, in either name as the circumstances may be, for those unfinished or incomplete business, contracts, transactions which may be necessary to be transacted and completed;
 - ii. All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred by the Transferor Company shall for all purposes be treated and deemed to be the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and
 - iii. The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company.
- 8.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.
- 8.3. For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified as follows:
- 8.3.1 With effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company are closed / suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.
- 8.3.2 With effect from the Effective Date, the Transferee Company shall be entitled to use all packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. lying unused with the Transferor Company or their vendors, suppliers or third party or in their supply chain or distribution channel and which the Transferor Company is entitled to use under any statutes/ regulations, till such time as all of such stock exhaust without making any amendment on those goods or materials.
- 8.3.3 With a view to avoid any disruption of business, to ensure continuity of operations and exports and to maintain the same quality of products, with effect from the Effective Date and till such time all critical licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company are transferred, recorded, effected and / or perfected, in the record of the relevant governmental / regulatory authorities in all applicable jurisdictions in favour of Transferee Company, the Transferee Company shall carry on and be deemed to have been carrying on all the business and activities of Transferor Company in the name and style of the Transferor Company and under the relevant licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company. Further, during such period, Transferee Company can procure or use or manufacture, all material and product including packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. in the name and form/format of the Transferor Company.

9. STAFF, WORKMEN AND EMPLOYEES

- 9.1 Upon the coming into effect of this Scheme, all staff, workmen and 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 favorable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this scheme. 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.

- 9.2 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.
- 9.3 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 staff, workmen and employees and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.
- 9.4 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.

12. CONSIDERATION

- 12.1 Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company pursuant to Part II of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members as member of the Transferor Company as on the Record Date, as follows: "1,153 (One Thousand One Hundred and Fifty-Three) equity shares of Indokem having face value of INR 10 each fully paid up shall be issued for every 1,000 (One Thousand) equity shares held in Refnol having face value of INR 10 each fully paid up"
- 12.2 The equity shares to be issued and allotted pursuant to amalgamation of the Transferor Company with the Transferee Company under this Scheme shall be subject to the provisions of the Memorandum of Association and Articles of Association of Transferee Company and shall rank pari passu in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the shares of the Transferee Company.
- 12.3 The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company.
- 12.4 The New Shares to be issued by the Transferee Company shall be issued in dematerialized form to those Eligible Members who hold shares of the Transferor Company in dematerialized form, into the account in which shares of the Transferor Company are held or such other account as is intimated in writing by the Eligible Members to the Transferor Company and/ or its registrar provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. All those Eligible Members who hold shares of the Transferor Company in physical form shall also receive the New Shares to be issued by the Transferee Company, in dematerialized form, provided the details of their account with the depository participant are intimated in writing to the Transferor Companies and/ or its registrar provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. If no such intimation is received from any Eligible Member who holds shares of the Transferor Company in physical form 7 (seven) days before the Record Date, or if the details furnished by any Eligible Member do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company may allot physical shares to such shareholder, as may be permitted under Applicable Law.
- 12.5 For the purpose of allotment of the shares, pursuant to this Scheme, in case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions

thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at such time or times as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.

- 12.6 On approval of this Scheme by members of the Transferee Company pursuant to Sections 230-232 of the Act and / or relevant provisions of the Act, if applicable, it shall be deemed that the said members have also accorded their consent under Sections 13, 42, 61 and 62 of the Act and / or any other applicable provisions of the Act and rules and regulations framed thereunder as may be applicable for the aforesaid issuance of shares of the Transferee Company, and no further resolution or actions shall be required to be undertaken by the Transferee Company under Sections 13, 42, 61 or 62 of the Act or any other applicable provisions of the Act and rules and regulations framed thereunder.
- 12.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme.
- 12.8 The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance.
- 12.9 The shares to be issued by the Transferee Company in lieu of the shares of the Transferor Company held in the respective unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for shareholders of the Transferor Company.
- 12.10 In the event, any or both the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio stated in Clause 12.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions undertaken by such Party.
- 12.11 If necessary, the Transferee Company shall before allotment of the equity shares in term of the Scheme, increase, reclassify, and / or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.
- 12.12 The Transferee Company shall apply for listing of new equity shares allotted by Transferee Company on the Stock Exchange in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The new equity shares allotted by the Transferee Company, pursuant to the Scheme, shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchange.
- 12.13 The Transferee Company shall enter into such arrangements and give such confirmations and / or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchange and SEBI Circular.

15. DISSOLUTION OF THE TRANSFEROR COMPANY WITHOUT WINDING UP

Subject to an order being made by the under Section 230 to 232 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provision of the Act and the Rules made hereunder.

16. COMBINATION OF AUTHORISED SHARE CAPITAL

- 16.1 Upon the Scheme becoming effective, the Authorised Share Capital of the Transferor Company shall stand transferred, re-organised, credited and merged with that of the Transferee Company without payment of additional fees and stamp duty as the said fees and stamp duty have already been paid by the Transferor Company and the Authorised Share Capital of the Transferee Company will be increased to that effect by just filing requisite forms and no separate procedure shall be followed under the Act. Consequently, the Memorandum of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act as follows:

“The authorized share capital of the company is Rs.30,42,56,000/- (Thirty Crores Forty Two Lakhs Fifty Six Thousand only) divided in to 2,83,25,600 (Two Crores Eighty Three Lakhs Twenty Five Thousand Six Hundred) equity shares of Rs.10 (Rupees Ten) each and 21,00,000 (Twenty One Lakhs) 8% Non- Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each with power to the Company to increase or reduce the capital of the Company and to divide the equity and preference shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Companies Act, 2013, or any statutory modification or re-enactment thereof for the time being in force or as provided by the Articles of Association of the Company”

- 16.2 The approval of this Scheme under Sections 230 to 232 of the Companies Act, 2013 shall be deemed to have the approval under Section 13, 61 and other applicable provisions of the Companies Act, 2013, and any other approvals required in this regard. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their approval also to the alteration to the Memorandum of Association of the Transferee Company as may be required under the Act.

PART - III

GENERAL CLAUSES, TERMS AND CONDITIONS

21. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

21.1 The Scheme is conditional upon and subject to:

- i. the approval of the Scheme by the requisite majority of the respective members and such class of persons of Transferor Company and the Transferee Company, as required in terms of the applicable provisions of the relevant Act as well as any requirements that may be stipulated by the Appropriate Authority in this respect;
 - ii. the approval of the shareholders of transferor and transferee company through e-voting and / or other mode as may be required under any applicable law and the SEBI circular. The scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of Para 10(a) of Part I of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated November 23, 2021 and the Scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
 - iii. sanction of the Appropriate Authority, being obtained under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act, if so required on behalf of the Transferor Company and the Transferee company;
 - iv. the necessary certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the Registrar of Companies;
 - v. approval of Appropriate Authorities (including Securities and Exchange Board of India) and receipt of 'No-Objection letter' from Stock Exchange where such approval or consent is necessary; and
 - vi. all other sanctions and approvals as may be required by law in respect of this Scheme being obtained.
9. The Salient features as set out above being only the salient features of the Scheme of Amalgamation as are statutorily required to be included in this explanatory statement, the members are requested to read the entire text of the Scheme of Amalgamation (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the proposed Scheme of Amalgamation.

9. EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. The directors of the Applicant Company/Indokem Limited and Transferor Company/ Refnol Resins and Chemicals Limited, may be deemed to be concerned and/or interested in the Scheme to the extent of their shares that may be held by them, if any, or by the Companies, firms, institutions, trusts of which they are directors, partners, members or trustee in the Applicant Company and Transferor Company. None of the directors, Key Managerial Personnel ('KMPs') or relatives of the directors and KMPs of the Applicant Company and Transferor Company, have any material, financial or other interest, in the Scheme, except as shareholders to the extent appearing in the Register of Directors' shareholding and Register of Members maintained by the Applicant Company and Transferor Company respectively. The directors holding the shares in the Applicant Company do not have any other interest in the Scheme otherwise than that as shareholder in general. Further, none of the managers, key managerial personnel and relatives of the directors of Applicant Company is concerned or interested, financial or otherwise in the proposed Scheme. Save as aforesaid, none of the Directors of the Applicant Company have any material interest in the proposed Scheme.
2. The details of the present Directors, Key Managerial Personnel of the Transferee Company and their shareholding either individually or jointly as a first holder or as a nominee in the Applicant Company and Transferor Company, as on 26th August 2022, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in	
		Indokem Limited	Refnol Resins and Chemicals Limited
Mahendra Kishore Khatau	Chairman and Managing Director	16,37,066	12,81,789
Manish Mahendra Khatau	Whole-time Director	35,592	8,553
Asha Mahendra Khatau	Non-executive Director	45,243	6,768
Kailash Pershad	Non-executive Independent Director	0	0
Bhalchandra Gopinath Sontakke	Non-executive Independent Director	0	0
Rahul Singh	Non-executive Independent Director	0	0
Rupal Bhupendra Parikh	Chief Financial Officer	7,190	200
Rajesh Dinkar Pisal	Company Secretary and Compliance Officer	0	0

3. The details of the present Directors, Key Managerial Personnel of Transferor company and their shareholding either individually or jointly as a first holder or as a nominee in the Transferee Company and Transferor Company, as on 26th August 2022, is as under:

Name of the Director & Key Managerial Personnel	Position	Equity Share held in	
		Indokem Limited	Refnol Resins and Chemicals Limited
Mahendra Kishore Khatau	Chairman	16,37,066	12,81,789
Arupkumar Basu	Managing Director	0	2,200
Asha Mahendra Khatau	Non-executive Director	45,243	6,768
Mukund Ramchandra Nagpurkar	Non-executive Independent Director	1,025	0
Bhalchandra Gopinath Sontakke	Non-executive Independent Director	0	0
Rahul Singh	Non-executive Independent Director	0	0
Vikas Agarwal	Chief Financial Officer	0	10
Bilal Abdulkadar Topia	Company Secretary and Compliance Officer	0	0

4. PRE AND POST AMALGAMATION CAPITAL STRUCTURE

- 4.1. The Pre-Amalgamation capital structure of the Applicant Company, and Transferor Company has already been provided under Para 5 of this Statement.

- 4.2. The Post Amalgamation capital structure of the Applicant Company, and Transferor Company is as follows:

4.2.1. Name of the Company: Indokem Limited

Particulars	Amount in Rs.
Authorised Share Capital:	
2,83,25,600 Equity Shares of Rs. 10 each	28,32,56,000
21,00,000 8% Non-cumulative Redeemable Preference Shares of Rs. 10 each	2,10,00,000
Total	30,42,56,000
Issued, Subscribed and Paid Up:	
2,78,88,256 Equity Shares of Rs. 10 each	27,88,82,560
20,70,975 8% Non-cumulative Redeemable Preference Shares of Rs. 10 each	2,07,09,750
Total	29,95,92,310

4.2.2. Name of the Company: Refnol Resins and Chemicals Limited

Upon the proposed Scheme becoming effective, the entire share capital of the Transferor Company shall stand cancelled.

5. PRE- AND POST-AMALGAMATION SHAREHOLDING PATTERN

- 5.1. The expected pre and post Scheme shareholding pattern of the Transferee Company is as follows:

Sl. No.	Category	Pre Scheme of Amalgamation (as on 31 st March 2021)		Post Scheme of Amalgamation (as on 31 st March 2021)	
		No. of shares	%	No. of shares	%
(A)	Promoter & Promoter Group	1,72,53,011	70.93%	1,91,61,720	68.71%
(1)	Individuals	19,02,847	7.82%	34,06,853	12.22%
(a)	Bodies Corporate	1,53,50,164	63.10%	1,57,54,867	56.49%
	Sub-total (A)(1)	1,72,53,011	70.93%	1,91,61,720	68.71%
(2)	Foreign	0	0	0	0
	Sub-total (A)(2)	0	0	0	0
	Total A= A(1)+A(2)	1,72,53,011	70.93%	1,91,61,720	68.71%
(B)	Public Shareholding				
(1)	Institutions	0	0	0	0
(a)	Mutual Funds / UTI	27,500	0.11%	27,500	0.10%
(b)	Alternate Investment Funds	0	0	0	0
(c)	Foreign Portfolio Investors	0	0	0	0
(d)	Foreign Institutional Investors	0	0	0	0
(e)	Financial Institutions / Banks	2,075	0.01%	2,075	0.01%

Sl. No.	Category	Pre Scheme of Amalgamation (as on 31 st March 2021)		Post Scheme of Amalgamation (as on 31 st March 2021)	
		No. of shares	%	No. of shares	%
(f)	Insurance Companies	25,200	0.10%	25,200	0.09%
	Any other	0	0	0	0
	Sub-total (B)(1)	54,775	0.23%	54,775	0.20%
(2)	Non-Institutions	0	0	0	0
(a)	Individuals	64,96,757	26.70%	79,10,507	28.37%
I	Individual shareholders holding nominal share capital upto Rs. 2 lakhs	50,60,901	20.80%	59,44,630	21.32%
II	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	14,35,856	5.90%	19,65,877	7.05%
(b)	NBFCs registered with RBI	0	0	0	0
(c)	Any other	5,21,057	2.14%	7,61,254	2.73%
I	Body Corporate	1,27,219	0.52%	1,56,954	0.56%
II	Clearing Member	26,396	0.11%	26,905	0.10%
III	Foreign National	0	0	0	0
	Director or Directors Relatives	0	0	0	0
	HUF	77,028	0.32%	1,74,315	0.63%
IV	IEPF	0	0	0	0
V	NRIs	2,90,414	1.19%	4,02,392	1.44%
VI	Unclaimed Share Suspense Account	0	0	0	0
	Trustee holding fractional shares	0	0	688	0.00%
	Alternate Investment Funds	0	0	0	0
	Sub-total (B)(2)	70,17,814	28.85%	86,71,761	31.09%
	Total Public Shareholding (B) = (B)(1) + (B)(2)	70,72,589	29.07%	87,26,536	31.29%
(C)	Non-Promoter Non Public	0	0	0	0
	Total C	0	0	0	0
	Total Shareholding (A+B+C)	2,43,25,600	100%	2,78,88,256	100%

5.2. The expected pre and post Scheme shareholding pattern of the Transferor Company is as follows:

Sl. No.	Category	Pre Scheme of Amalgamation (as on 31 st March 2021)		Post Scheme of Amalgamation	
		No. of shares	%	No. of shares	%
(A)	Promoter & Promoter Group	16,55,431	53.58%	0	0
(1)	Individuals	13,04,431	42.22%	0	0
(a)	Bodies Corporate	3,51,000	11.36%	0	0
	Sub-total (A)(1)	16,55,431	53.58%	0	0
(2)	Foreign	0	0	0	0
	Sub-total (A)(2)	0	0	0	0
	Total A= A(1)+A(2)	16,55,431	53.58%	0	0
(B)	Public Shareholding			0	0
(1)	Institutions	0	0	0	0
(a)	Mutual Funds / UTI	0	0	0	0
(b)	Alternate Investment Funds	0	0	0	0
(c)	Foreign Portfolio Investors	0	0	0	0
(d)	Foreign Institutional Investors	0	0	0	0

Sl. No.	Category	Pre Scheme of Amalgamation (as on 31 st March 2021)		Post Scheme of Amalgamation	
		No. of shares	%	No. of shares	%
(e)	Financial Institutions / Banks	0	0	0	0
(f)	Insurance Companies	0	0	0	0
	Any other	0	0	0	0
	Sub-total (B)(1)	0	0	0	0
(2)	Non-Institutions	0	0	0	0
(a)	Individuals	12,37,122	40.04%	0	0
I	Individual shareholders holding nominal share capital upto Rs. 2 lakhs	8,28,678	26.82%	0	0
li	Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	4,08,444	13.22%	0	0
(b)	NBFCs registered with RBI	0	0	0	0
(c)	Any other	1,97,347	6.39%	0	0
I	Body Corporate	22,895	0.74%	0	0
li	Clearing Member	334	0.01%	0	0
lii	Foreign National	0	0	0	0
	Director or Directors Relatives	0	0	0	0
	HUF	80,141	2.59%	0	0
Iv	IEPF	0	0	0	0
V	NRIs	93,977	3.04%	0	0
Vi	Unclaimed Share Suspense Account	0	0	0	0
	Trustee holding fractional shares	0	0	0	0
	Alternate Investment Funds	0	0	0	0
	Sub-total (B)(2)	14,34,469	46.42%	0	0
	Total Public Shareholding (B) = (B) (1) + (B)(2)	14,34,469	46.42%	0	0
(C)	Non-Promoter Non Public	0	0	0	0
	Total (C)	0	0	0	0
	Total Shareholding (A+B+C)	30,89,900	100%	0	0

6. Valuation, Fairness Opinion and Approvals

- 6.1. Mr. Niranjana Kumar, an independent chartered account firm, based on their Valuation Report dated 14th January 2022, recommended to the Board of Directors of Refnol Resins and Chemicals Limited and Indokem Limited the share exchange ratio in which equity shares of the Applicant Company should be issued to the shareholders of the Transferor Company. A copy of the Valuation Report Issued by the Valuer is enclosed herewith as **Annexure B**.
- 6.2. Fairness Opinion dated 14th January 2022 on the Valuation Report of Mr. Niranjana Kumar was obtained from Kunvarji Finstock Private Limited; a SEBI registered Category I Merchant Banker as prescribed by SEBI. The copy of Fairness Opinion issued by Kunvarji Finstock Private Limited is enclosed herewith as **Annexure C**.
- 6.3. The Auditor of the Applicant Company and the Transferor Company, respectively, have confirmed that the accounting treatment in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.
- 6.4. The proposed Scheme was placed before the Audit Committee of the Applicant Company at its meeting held on 15th January 2022. The Audit committee recommended and approved the proposed Scheme after considering the Valuation Report of Mr. Niranjana Kumar and the Fairness Opinion of Kunvarji Finstock Private Limited, a SEBI registered Merchant Banker.
- 6.5. The Board of Directors of the Applicant Company have at its Board Meeting held on 15th January 2022 unanimously approved the Scheme based on the recommendation of the Audit Committee, Valuation Report of the Valuer recommending the Share Exchange Ratio in which the equity shares of the Applicant Company should be issued to the shareholders of Transferor Company and the Fairness Opinion of Kunvarji Finstock Private Limited, a SEBI registered Merchant Banker.

- 6.6. The copies of the said Valuation Report of the Valuer, Fairness Opinion and other documents submitted to the Stock Exchange are also displayed on the website of the Applicant Company at "<https://www.indokem.co.in>", the website of BSE Limited, the designated stock exchange where the shares of the Applicant Company are listed, in terms of the Securities and Exchange Board of India circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.
7. At the Board Meeting held on 15th January 2022 all the Directors of the Applicant Company, approved the Scheme.
8. Pursuant to the Securities and Exchange Board ("SEBI") circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 (the "SEBI Circular") read with Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') the Applicant Company had applied to BSE Limited for seeking their No objection to the proposed Scheme of Amalgamation. Further, BSE Limited, the Designated Stock Exchange forwarded the said application along with Draft Scheme to SEBI for its approval and/or comments. The BSE Limited gave its Observation letter on 30th May, 2022 conveying its "No Objection" for the scheme, which is enclosed herewith as **Annexure D**.
9. The Scheme of Amalgamation along with related documents were hosted on the websites of the Applicant Company, BSE Limited and have been open for complaints/comments from 07th February 2022 to 28th February 2022 for a period of 21 days. During the above period, the Transferee Company has received no complaint / comment and accordingly the complaints report (indicating Nil complaints) was filed with the BSE Limited on 01st March 2022 taken on record by BSE Limited. A copy of the said Complaints Report filed with BSE Limited is enclosed as **Annexure E**.
10. A copy of the limited review results of the Transferee Company as on 30th June, 2022 together with the limited review results of the Transferor Company as on 30th June, 2022 are enclosed herewith as **Annexure F1** and **F2**.
11. The Applicant Company will make a petition under Section 230-232 and other applicable provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to the Hon'ble National Company Law Tribunal, Mumbai Bench, for sanctioning of the Scheme.
12. Under Section 230 of the Companies Act, 2013, the proposed Scheme will have to be approved by a majority in number representing three-fourths in value of the Equity Shareholders present and voting.
13. The scheme is conditional upon scheme being approved by the public shareholders through evoting in terms of Para 10(a) of Part I of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and the Scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
14. The rights and interests of the members and the creditors of the Applicant Company and Transferor Company will not be prejudicially affected by this Scheme of Amalgamation.
15. No investigation proceedings are pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 against the Applicant Company.
16. A copy of the Scheme has been filed by the Applicant Company with the Registrar of Companies, Maharashtra, Mumbai, on 30th August, 2022.
17. No winding up petition is pending against the Applicant Company.
18. In compliance with the provisions of Section 232(2) of the Companies Act, 2013, the Board of Directors of the Applicant Company and Transferor Company, vide a resolution dated 15th January 2022, have adopted a Report, inter-alia, explaining the effect of the Scheme on each class of shareholders (promoter and non-promoter shareholders) and key managerial personnel. A copy of the Report adopted by the Board of Directors of the Applicant Company and the Transferor Company is enclosed to this Explanatory Statement as **Annexure G1 & G2 respectively**.
19. The shareholders of Transferor Company will be issued shares in accordance with the Share Exchange Ratio provided in the Valuation Report. The Scheme is not expected to have any adverse effect on the Key Managerial Personnel, directors, secured or unsecured creditors, non-promoter members, and employees of the Applicant Company wherever relevant, as no sacrifice or waiver is at all called from them nor their rights sought to be modified in any manner.
20. In addition to the documents appended hereto, the electronic copy of following documents will be available for inspection in the investors section of the website of the Company at <https://www.indokem.co.in/>
- Certified copy of the Order of the Hon'ble National Company Law Tribunal, Mumbai Bench dated 26th August 2022 passed in Company Application No. CA(CAA)/191/MB/2022 directing and convening of the meeting of Equity Shareholders of the Applicant Company.
 - Scheme of Amalgamation.
 - Memorandum and Articles of Association of Refnol and Resins Chemicals Limited and Indokem Limited
 - Annual Reports of Indokem Limited and Refnol Resins and Chemicals Limited for the last three financial years ending 31st March 2020, 31st March 2021 and 31st March 2022.
 - Copies of Limited review results of Indokem Limited and Refnol Resins and Chemicals Limited for the year ended 30th June 2022.

- f) Copy of the Observation Letter dated 30th May 2022 received from BSE Limited.
 - g) Copy of the Valuation Report providing for the Share Exchange Ratio dated 14th January 2022 issued by Mr. Niranjan Kumar
 - h) Copy of the Fairness opinion by Merchant Banker, Kunvarji Finstock Private Limited dated 14th January 2022.
 - i) Copy of the Audit Committee Report dated 15th January 2022.
 - j) Copies of the Resolutions passed by the respective Board of Directors of Indokem Limited and Refnol Resins and Chemicals Limited dated 15th January 2022.
 - k) Copy of the Statutory Auditor's certificate dated 22nd July 2021 issued by CNK & Associates LLP, Chartered Accountants, Mumbai of Indokem Limited confirming that the accounting treatment provided in the Scheme is in compliance with Section 133 of the Companies Act, 2013.
21. This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 read with Sections 102 and 110 of the Companies Act, 2013. A copy of the Scheme and Explanatory statement may also be obtained free of cost from the registered office of the Applicant Company.

Dated at Mumbai on this the 2nd day of September, 2022

Sd/-

Mr. M. Raghunatha Bhat
Chairperson Appointed for the Meeting

Indokem Limited

CIN: L31300MH1964PLC013088

Registered Office: Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016

Website: <https://www.indokem.co.in/>

E-mail: iklsecretarial@gmail.com

Tel.: 022-61236767

Fax: 022-61236718

SCHEME OF AMALGAMATION (BY ABSORBPTION)

OF

REFNOL RESINS AND CHEMICALS LIMITED

(“TRANSFEROR COMPANY” OR “REFNOL”)

WITH

INDOKEM LIMITED

(“TRANSFEEE COMPANY” OR “INDOKEM”)

AND

THEIR RESPECTIVE SHAREHOLDERS

(Under the provisions of Section 230 to 232 of the Companies Act, 2013)

I) PREAMBLE AND BACKGROUND

1. This Scheme of Amalgamation (hereinafter referred to as **“the Scheme”** or **“this Scheme”**) is presented pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 (**“the Act”**) and the rules made there under (to the extent applicable) for the Amalgamation of Refnol Resins and Chemicals Limited with Indokem Limited. This Scheme (as defined hereinafter) also provides for various other matters consequential to, or otherwise integrally connected with the above, as more specifically stated hereinafter.
2. The brief background of various entities is as follows:
 - A) Refnol Resins and Chemicals Limited, (“Transferor Company” or “Refnol”) is a Public Limited Company incorporated under the Companies Act, 1956, under CIN L24200MH1980PLC023507 and having its registered office at Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016. The Transferor Company was incorporated on December 1, 1980 as Refnol Oil Refineries Private Limited and subsequently, name was changed to Refnol Resins and Chemicals Private Limited w.e.f. November 6, 1992. It was changed to a Public Limited Company w.e.f. October 26, 1994 and accordingly name was changed to Refnol Resins and Chemicals Limited. The equity shares of Transferor Company are listed on BSE Limited. Transferor Company and Transferee Company have common promoters. The Transferor Company is engaged in the business of manufacturing and marketing of resins and chemicals.
 - B) Indokem Limited, (“Transferee Company” or “Indokem”) is a Public Limited Company incorporated under the Companies Act, 1956, under CIN L31300MH1964PLC013088 and having its registered office at Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016. The Transferee Company was incorporated on December 22, 1964 as Khatau Junker Private Limited and subsequently, was converted to Public Limited Company as Khatau Junker Limited w.e.f. January 27, 1966. Further, the name of the Transferee Company was changed to Indokem Limited w.e.f. October 25, 1996. The equity shares of Transferee Company are listed on BSE Limited. Transferor Company and Transferee Company have common promoters. The Transferee Company is engaged in the business of manufacturing and dealing in dyes, sizing chemicals, auxiliaries in textile industry and electrical capacitors.

II) RATIONALE AND PURPOSE OF THE SCHEME

The Transferor Company and the Transferee Company are engaged in similar lines of business and complement each other. With an intent to expand the business and achieve larger product portfolio, economies of scale, efficiency, optimisation of logistics and distribution network and other related economies by consolidating the business operations being managed by different management teams, the Board of Directors of the Transferor Company and the Transferee Company propose to consolidate the business of the Transferor Company with the Transferee Company. The proposed amalgamation of the Transferor Company with Transferee Company would inter alia have the following benefits:

1. Creation of a combined entity, hosting all products under the Transferee Company, thereby resulting in diversified portfolio of products, economies of scale, operational rationalization, efficiency of management and maximizing value for the shareholders.
2. Greater synergies between businesses and optimum use of manufacturing facilities, marketing strength, R & D facilities, Certifications resulting in productivity gains thereby maximizing value for the shareholders.
3. Optimum use of infrastructure and organizational efficiency by pooling of financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of Transferor Company and Transferee Company thereby significantly contributing to the future growth and maximizing shareholder value.
4. Better financial leverage, resulting in greater efficiency in cash and debt management and unfettered access to cash flow generated by the combined business, which can be deployed more efficiently, to realize higher profits for the combined entity.

5. Improved organizational capability and leadership, arising from the pooling of human capital, who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
6. Cost savings because of standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.
7. Reduction in regulatory and legal compliances and avoidance of multiple records keeping.
8. Strengthening ability to face increasing competitive, regulatory, environmental and global risks; thereby resulting in sustainable and profitable long term growth for the combined entity.

In view of the aforesaid, the Board of Directors of the Transferor Company as well as the Board of Directors of the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company with the Transferee Company. Accordingly, the Board of Directors of the Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertakings and business of the Transferor Company within and into the Transferee Company pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act.

- III) Further, under the Scheme, there is no arrangement proposed to be entered into with the creditors, either secured and / or unsecured creditors of the Transferor Company and / or the Transferee Company. No compromise is offered under this Scheme to any of the creditors of the Transferor Company and / or the Transferee Company. The liability towards the creditors of the Transferor Company and / or the Transferee Company under the Scheme, is neither being reduced nor being extinguished but shall be assumed and discharged by the Transferee Company in its ordinary course of business.

IV) PARTS OF THE SCHEME

The Scheme is divided into following parts:

- Part I – Deals with the definitions of the terms used in this Scheme, details of share capital of the Parties, and Date of Operation of this Scheme
- Part II– Deals with the Amalgamation of Transferor Company with the Transferee Company.
- Part III– Deals with general clauses, terms and conditions applicable to the Scheme.

PART – I

Definitions, Share Capital and Date of Operation of Scheme

1. DEFINITIONS

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

- 1.1. **“Act”** or **“the Act”** means the Companies Act, 2013 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force, and the rules and regulations made thereunder;
- 1.2. **“Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, circulars or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force;
- 1.3. **“Appointed Date”** means April 01, 2021 or such other date as may be fixed or approved by Hon’ble National Company Law Tribunal;
- 1.4. **“Appropriate Authority”** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange of India or any other country including the Registrar of Companies, Regional Director, Official Liquidator, Company Law Board, Competition Commission of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, National Company Law Tribunal and such other sectoral regulators or authorities as may be applicable;
- 1.5. **“Board of Directors”** or **“Board”** shall mean the Board of Directors of Transferor Company or Transferee Company, as the case may be or any committee thereof duly constituted, or any other person duly authorized by the Board for the purpose of this Scheme;
- 1.6. **“Effective Date”** means the last of the dates on which the authenticated copies or certified copies of the Order of NCLT under Sections 230-232 of the Act sanctioning the Scheme is filed with Registrar of Companies by the Transferor Company and Transferee Company. References in this Scheme to the date of “coming into effect of the Scheme” or “upon the Scheme becoming effective”, or “effectiveness of the Scheme” and other similar expressions shall mean the Effective Date;

- 1.7. **“IT Act”** means the Income-tax Act, 1961, of India, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.8. **“Governmental Authority”** or **“Government Body”** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;
- 1.9. **“NCLT”** or **“the Tribunal”** means the National Company Law Tribunal, Bench at Mumbai in relation to the Transferor Company and the Transferee Company.
- 1.10. **“Parties”** shall mean collectively the Transferor Company and the Transferee Company and **“Party”** shall mean each of them, individually;
- 1.11. **“Record Date”** means such date as may be mutually fixed by the Board of Directors of the Transferor Company and the Transferee Company for the purpose of reckoning names of Equity Shareholders of the Transferor Company, who shall be entitled to receive shares of the Transferee Company upon coming into effect of this Scheme;
- 1.12. **“Registrar of Companies”** means the Registrar of Companies in Mumbai;
- 1.13. **“SAST Regulations”** means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
- 1.14. **“Scheme”** or **“the Scheme”** or **“this Scheme”** or **“Scheme of Merger by Absorption”** or **“Scheme of Amalgamation”** means this Scheme of Amalgamation in its present form submitted to the NCLT or with any modification(s) made under Clause 21 of this Scheme or with such other modifications/amendments as the NCLT may direct;
- 1.15. **“SEBI”** means the Securities Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.16. **“SEBI Circulars”** means the circulars issued by Securities and Exchange Board of India in relation to the amalgamations and arrangements carried out under the Act and shall inter-alia refer to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 or SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021, as amended from time to time.
- 1.17. **“Stock Exchange”** means the stock exchange where the Equity Shares of Transferor Company and Transferee Company are listed and admitted to trading, viz, BSE Limited;
- 1.18. **“Tax Laws”** means IT Act, Customs Act, 1962, Central Excise Act, 1944, Value Added Tax Act applicable to any state in which the Transferor Company and / or Transferee Company operate, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax laws, or Service Tax, Goods and Service Tax or other applicable laws/ regulations dealing with taxes/ duties/ levies/cess.
- 1.19. **“Transferee Company”** or **“Indokem”** means Indokem Limited having CIN L31300MH1964PLC013088 and registered office at Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016.
- 1.20. **“Transferor Company”** or **“Refinol”** means Refinol Resins and Chemicals Limited having CIN L24200MH1980PLC023507 and registered office at Plot no. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai – 400016.
- 1.21. **“Undertaking”** means and includes all the assets, properties, liabilities and the undertaking(s) and entire business(s) of the Transferor Company of whatsoever nature and kind and wherever situated, on a going concern basis, which shall include, without limitation:
- i. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature, whether or not appearing in the books of accounts) of the Transferor Company, including, without limitation, sheds, godowns, warehouses, offices, plant and machineries, equipment, interests, capital work-in progress, rolling stocks, installations, appliances, tools, accessories, freeholds, leasehold or any other title, interests or right in such immovable assets, buildings and structures, offices, residential and other premises, furniture, fixtures, office equipment, computers and all stocks;
 - ii. all current assets including inventories, sundry debtors, receivables, cash and bank accounts (including bank balances), fixed deposits, loans and advances, actionable claims, bills of exchanges and debit notes of the Transferor Company;
 - iii. all investments (including shares, scripts, stocks, bonds, debentures, debenture stock, units of mutual funds, overseas investments and other securities), including dividends declared or interest accrued thereon of the Transferor Company;
 - iv. all rights or benefits, benefits of any deposit, receivables, claims against any vendor or advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, hire purchase contracts, lending contracts, rights and benefits under any agreement, benefits of any security arrangements or under any guarantee, reversions, powers, tenancies in relation to the office and / or residential properties for the employees or other persons, vehicles, guest houses, godowns, share of any joint assets and other facilities;

- v. all rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangement of all kinds, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Transferor Company or in connection with or relating to the said Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by the Transferor Company;
- vi. all permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto including 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;
- vii. all licenses (including but not limited to licenses granted by any government, statutory or regulatory bodies for the purpose of carrying on the business or in connection therewith), approvals, authorizations, permissions including municipal permissions, consents, registrations including import registrations, certifications, no objection certificates, quotas including import quotas, rights, permits including import permits, exemptions, subsidies, tax deferrals, credits (including Cenvat Credits, sales tax credits, Good and Service Tax credits and income tax credits), privileges, advantages and all other rights and facilities of every kind, nature and description whatsoever of the Transferor Company;
- viii. all agreements, contracts, arrangements, understandings, engagements, deeds and instruments including lease / license agreements, tenancy rights, equipment purchase agreements, master service agreements, loan license agreements, third party manufacturing agreements and other agreements with the customers, purchase and other agreements / contracts with the supplier / manufacturer of goods / service providers and all rights, title, interests, claims and benefits there under of the Transferor Company;
- ix. all application monies, advance monies, earnest monies and / or security deposits paid or deemed to have been paid and payments against other entitlements of the Transferor Company;
- x. all debts, borrowings, obligations, duties and liabilities both present and future, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any kind, nature or description, whether fixed, contingent or absolute, asserted or un-asserted, matured or un-matured, liquidated or un-liquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability) pertaining to the Transferor Company;
- xi. all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, goodwill, domain names, including applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names, used by or held for use by the Transferor Company, whether or not recorded in the books of accounts of the Transferor Company, and other intellectual rights of any nature whatsoever (including applications for registrations of the same and the right to use such intellectual property rights), books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of the Transferor Company, whether used or held for use by it; and
- xii. any and all permanent 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.

2. In this Scheme, unless the context otherwise requires:

- a) Words denoting the singular shall include the plural and vice versa;
- b) Headings and bold typefaces are only for convenience and shall be ignored for the purpose of interpretation;
- c) Reference to the word "include" or "including" shall be construed without limitation;
- d) A reference to a clause, section or part is, unless indicated to the contrary, a reference to a clause, section or part of this Scheme;
- e) Unless otherwise defined, the reference to the word "days" shall mean calendar days;
- f) Reference to a document includes an amendment or supplement to, or replacement or novation of that document;
- g) Word(s) and expression(s) elsewhere defined in the Scheme shall have the meaning(s) respectively ascribed to them; and

- h) All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other Applicable Laws.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or in terms of this Scheme shall take effect from the Appointed Date but shall be operative from the Effective Date.

4. SHARE CAPITAL OF PARTIES

4.1. The share capital of Transferor Company as on March 31, 2021 is as follows:

Particulars	Amount in Rs.
Authorized Capital	
40,00,000 Equity Shares of Rs. 10 each	4,00,00,000
Total	4,00,00,000
Issued	
35,23,500 Equity Shares of Rs. 10 each	3,52,35,000
Subscribed	
30,89,900 Equity Shares of Rs. 10 each fully paid-up	3,08,99,000
Add: 4,33,600 Equity Shares Forfeited Shares	21,68,000
Total	3,30,67,000

Subsequent to March 31, 2021 and upto the date of approval of the scheme by Board of Directors of Transferor Company, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company. The equity shares of the Transferor Company are listed on BSE Limited.

4.2. The share capital of Transferee Company, as on March 31, 2021 is as follows:

Particulars	Amount in Rs.
Authorized Capital	
2,43,25,600 Equity Shares of Rs. 10 each	24,32,56,000
21,00,000 Preference Shares of Rs. 10 each	2,10,00,000
Total	26,42,56,000
Issued, Subscribed and Paid-up Capital	
2,43,25,600 Equity Shares of Rs. 10 each	24,32,56,000
20,70,975 8% Non-cumulative Redeemable Preference Shares of Rs. 10 each	2,07,09,750
Total	26,39,65,750

Subsequent to March 31, 2021 and upto the date of approval of the scheme by Board of Directors of Transferee Company, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company. The equity shares of the Transferee Company are listed on BSE Limited.

PART – II

Amalgamation of Transferor Company with the Transferee Company

5. Transfer and Vesting of Undertaking

- 5.1. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all properties, assets, liabilities and Undertaking(s) of the Transferor Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, of the Act and also in accordance with section 2(1B) of the IT Act, without any further deed or act, subject to existing charges or lis pendens, if any thereon, in favour of banks/financial institutions.
- 5.2. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all immovable property (Including but not limited to property situated at Plot no. 23, Phase III, G.I.D.C., Naroda, Ahmedabad – 382 330 (including land, buildings and any other immovable property) of the Transferor Company, whether freehold or leasehold, and any documents of title, rights, agreements to sell / agreements of sale and easements in relation thereto, shall stand vested in the Transferee Company, without any act or deed done by the Transferee Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation / substitution of the title to such immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Transferor Company shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Transferee Company.
- 5.3. Notwithstanding anything contained in this Scheme, with respect to the immovable properties in the nature of land and buildings situated in India, whether owned or leased, for the purpose of, inter alia, payment of stamp duty, registration fees

or other similar taxes or fees, if the Transferee Company so decides, the Transferor Company and Transferee Company, whether before or after the Effective Date, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty, registration fees or other similar taxes or fees (if required under applicable law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme

- 5.4. All lease and license agreements, if any, entered into by the Transferor Company with landlords, owners and lessors in connection with the use of the assets of the Undertaking, together with security deposit, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions, subject to applicable law, without any further act, instruments, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent amounts as provided for in such agreement and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreement by the Transferor Company.
- 5.5. Without prejudice to the generality of the foregoing, with effect from the Appointed Date, it is expressly provided that in respect of such of the assets of the Transferor Company that are movable in nature and / or are otherwise capable of transfer by manual or constructive delivery and / or endorsement and delivery or novation, the same shall be deemed to have been so transferred by Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of section 230 to 232 of the Act, without any further act, instrument, deed, matter or thing.
- 5.6. In respect of movables other than those dealt with in Clause 5.5 above including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, property development rights, investments (including overseas investments), earnest money and deposits with any Government, quasi Government, local or other authority or body or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).
- 5.7. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all liabilities relating to and comprised in the Undertaking of Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing.
- 5.8. The transfer and vesting as aforesaid shall be subject to subsisting charges, if any, in respect of any assets of Transferor Company.

PROVIDED always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed by the Transferor Company and Transferee Company shall not be obliged to create any further or additional security in relation to subsisting charges, if any, thereof after the date of approval of this Scheme by the NCLT or otherwise.
- 5.9. Upon the Scheme becoming effective, all staff, workmen and employees as detailed under Clause 1.21(xii) above in relation to the Transferor Company shall become the staff, workmen and employees of the Transferee Company, without any further act or deed to be done by the Transferor Company or the Transferee Company.
- 5.10. Upon approval of the Scheme by the Tribunal, the Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.
- 5.11. Pursuant to this Scheme becoming effective, the Transferee Company shall be entitled to secure the record of the change in the legal ownership upon the vesting of the assets of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act. The Transferor Company and the Transferee Company shall be jointly and severally authorized to execute any writings and / or carry out any formalities or compliance in this regard.
- 5.12. All taxes, duties, cess payable by the Transferor Company including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Transferee Company.
- 5.13. All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, patents, claims, leases, tenancy rights, liberties, special status and other benefits or privileges 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 before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of the Act, if any,

without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

- 5.14. All the Insurance policies registered in the name of the Transferor Company which are active as on the date of approval of the Scheme by the Tribunal and which can be transferred/assigned shall, pursuant to the provisions of Section 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company and accordingly, the insurance Companies shall record the name of the Transferee Company in all the insurance policies registered in the name of the Transferor Company so as to ensure that all the rights and privileges under all such policies available to the Transferor Company and / or to any other person/director/employee of such Transferor Company, whether in the capacity of the Policy Holder or Owner or Insured or the Beneficiary, as the case may be, be available to the benefit of the Transferee Company and / or to any other person/director/employee of Transferee Company, as the case may be, on the same terms and conditions as they were applicable to the Transferor Company concerned and upon such transfer/assignment, all such policies shall be effective in favour of the Transferee Company as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. However, for the insurance policies which do not permit such transfer/assignment, the Transferee Company may make fresh application(s) to the concerned authority/ insurance Company(ies) on such terms and conditions as may be prescribed. It is hereby clarified that all the costs and / or expenses and / or premiums in relation to the transfer/assignment/of the insurance policies in the name of Transferor Company shall be borne by the Transferee Company and the Transferor Company shall have no further obligations in this regard.
- 5.15. All the brands and trademarks (including logo and right to use the trademarks) of the Transferor Company including registered and unregistered trademarks, along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks, and all such other industrial and intellectual property rights of whatsoever nature shall stand transferred to and vest in and deemed to be transferred to and vested in the Transferee Company. The Transferee Company shall take such actions as may be necessary and permissible to get the same transferred and / or registered in the name of the Transferee Company.
- 5.16. Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all existing and future incentives, un-availed credits and expenditures, exemptions and deductions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT credit under the IT Act), excise (including Modvat / Cenvat), customs, VAT, sales tax, service tax, GST including the IGST input tax credit, CGST input tax credit and SGST input tax credit for the registrations of the Transferor Company in all the states, to which the Transferor Company are entitled to shall be available to and vest in the Transferee Company and deemed to be available to and vested in the Transferee Company.
- 5.17. The Transferee Company shall file relevant intimations, for the record of the statutory authorities signifying the transfer of the assets / properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of the Transferor Company.
- 5.18. It is hereby clarified that all assets and liabilities appearing in the books of account of the Transferor Company as on the Appointed Date which are set forth in the closing balance sheet of the Transferor Company as of the opening of business hours on the Appointed Date shall be transferred to Transferee Company.
- 5.19. The Transferee Company shall, under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company, to implement and carry out all formalities and compliances, if required, referred to above.

6. LEGAL, TAXATION AND OTHER PROCEEDINGS

- 6.1. Upon 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 or Court authorities as the case be) by or against the Transferor Company pending on 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 by or against the Transferee Company.
- 6.2. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.
- 6.3. In case of any litigation, suits, recovery proceedings which are to be initiated or may be intimated against the Transferor Company, Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

7. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 7.1. Upon coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements, escrow arrangements and other instruments of whatsoever nature in relation to the Transferor Company to which the Transferor Company is a party 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 or against or in favour, as the case may be, 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 obligee thereto.
- 7.2. The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings, confirmations or novations or tripartite arrangements with any party to any contract or arrangements to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions.
- 7.3. On the Scheme becoming effective, such contracts / escrow arrangements / deeds / any other arrangements shall stand transferred to or deemed to be transferred to the Transferee Company without any further act or instrument or deed and further it shall not be necessary to obtain the consent of any third party or other person who is party to any such contract / escrow arrangements / deeds / any other arrangements.

8. CONDUCT OF BUSINESS UNTIL AND AFTER EFFECTIVE DATE

- 8.1. With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire business for and on account of and in trust for the Transferee Company;
- i. Carry on the business, in either name as the circumstances may be, for those unfinished or incomplete business, contracts, transactions which may be necessary to be transacted and completed;
- ii. All the profits or income accruing or arising to the Transferor Company or expenditure or losses incurred by the Transferor Company shall for all purposes be treated and deemed to be the profits or income or expenditure or losses (as the case may be) of the Transferee Company; and
- iii. The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not venture into/expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company.
- 8.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.
- 8.3. For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified as follows:
- 8.3.1. With effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, till the time any regulatory registrations of the Transferor Company are closed / suspended and regulatory filings are required to be done on such registrations, the Transferee Company shall be entitled to do so to comply with the relevant regulations.
- 8.3.2. With effect from the Effective Date, the Transferee Company shall be entitled to use all packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. lying unused with the Transferor Company or their vendors, suppliers or third party or in their supply chain or distribution channel and which the Transferor Company is entitled to use under any statutes/ regulations, till such time as all of such stock exhaust without making any amendment on those goods or materials.
- 8.3.3. With a view to avoid any disruption of business, to ensure continuity of operations and exports and to maintain the same quality of products, with effect from the Effective Date and till such time all critical licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company are transferred, recorded, effected and / or perfected, in the record of the relevant governmental / regulatory authorities in all applicable jurisdictions in favour of Transferee Company, the Transferee Company shall carry on and be deemed to have been carrying on all the business and activities of Transferor Company in the name and style of the Transferor Company and under the relevant licenses, product registrations, marketing authorizations, permits, quotas, approvals, incentives, subsidies, etc. of Transferor Company. Further, during such period, Transferee Company can procure or use or manufacture, all material and product including packed / labeled goods, packing materials, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, brochures, other publicity material, etc. in the name and form/format of the Transferor Company.

9. STAFF, WORKMEN AND EMPLOYEES

- 9.1. Upon the coming into effect of this Scheme, all staff, workmen and 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 favorable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this scheme. 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.
- 9.2. 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.
- 9.3. 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 staff, workmen and employees and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.
- 9.4. 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.

10. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Undertaking under clause 5 above, and the continuation of proceedings by or against the Transferee Company in clause 6 above shall not affect any transactions or proceedings already concluded or liabilities incurred, or any liabilities discharged by the Transferor Company, on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

11. INTER-SE TRANSACTIONS

- 11.1. Without prejudice to the aforesaid Clauses, with effect from the Appointed date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed.
- 11.2. Further, it is clarified that the above clause has no impact whatsoever on any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company and on its own account and therefore, the Transferee Company will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same.

12. CONSIDERATION

- 12.1. Upon the Scheme coming into effect and in consideration of the transfer and vesting of Transferor Company in the Transferee Company pursuant to Part II of this Scheme and subject to the provisions of this Scheme, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members as member of the Transferor Company as on the Record Date, as follows: "1,153 (One Thousand One Hundred and Fifty-Three) equity shares of Indokem having face value of INR 10 each fully paid up shall be issued for every 1,000 (One Thousand) equity shares held in Refnol having face value of INR 10 each fully paid up"
- 12.2. The equity shares to be issued and allotted pursuant to amalgamation of the Transferor Company with the Transferee Company under this Scheme shall be subject to the provisions of the Memorandum of Association and Articles of

Association of Transferee Company and shall rank pari passu in all respects with any existing equity shares of the Transferee Company after the Effective Date including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the shares of the Transferee Company.

- 12.3. The issue and allotment of the shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Transferee Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of shares of the Transferee Company.
- 12.4. The New Shares to be issued by the Transferee Company shall be issued in dematerialized form to those Eligible Members who hold shares of the Transferor Company in dematerialized form, into the account in which shares of the Transferor Company are held or such other account as is intimated in writing by the Eligible Members to the Transferor Company and/ or its registrar provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. All those Eligible Members who hold shares of the Transferor Company in physical form shall also receive the New Shares to be issued by the Transferee Company, in dematerialized form, provided the details of their account with the depository participant are intimated in writing to the Transferor Companies and/ or its registrar provided such intimation has been received by the Transferor Company and/or its registrar at least 7 (seven) days before the Record Date. If no such intimation is received from any Eligible Member who holds shares of the Transferor Company in physical form 7 (seven) days before the Record Date, or if the details furnished by any Eligible Member do not permit electronic credit of the shares of the Transferee Company, then the Transferee Company may allot physical shares to such shareholder, as may be permitted under Applicable Law.
- 12.5. For the purpose of allotment of the shares, pursuant to this Scheme, in case any shareholder's holding in the Transferor Company is such that the shareholder becomes entitled to a fraction of a share of the Transferee Company, the Transferee Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Transferee Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at such time or times as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.
- 12.6. On approval of this Scheme by members of the Transferee Company pursuant to Sections 230-232 of the Act and / or relevant provisions of the Act, if applicable, it shall be deemed that the said members have also accorded their consent under Sections 13, 42, 61 and 62 of the Act and / or any other applicable provisions of the Act and rules and regulations framed thereunder as may be applicable for the aforesaid issuance of shares of the Transferee Company, and no further resolution or actions shall be required to be undertaken by the Transferee Company under Sections 13, 42, 61 or 62 of the Act or any other applicable provisions of the Act and rules and regulations framed thereunder.
- 12.7. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme.
- 12.8. The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance.
- 12.9. The shares to be issued by the Transferee Company in lieu of the shares of the Transferor Company held in the respective unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for shareholders of the Transferor Company.
- 12.10. In the event, any or both the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio stated in Clause 12.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions undertaken by such Party.
- 12.11. If necessary, the Transferee Company shall before allotment of the equity shares in term of the Scheme, increase, reclassify, and / or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.
- 12.12. The Transferee Company shall apply for listing of new equity shares allotted by Transferee Company on the Stock Exchange in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The new equity shares allotted by the Transferee Company, pursuant to the Scheme, shall remain frozen in the depository system till listing / trading permission is given by the Stock Exchange.

12.13. The Transferee Company shall enter into such arrangements and give such confirmations and / or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchange and SEBI Circular.

13. ACCOUNTING TREATMENT IN BOOKS OF THE TRANSFEREE COMPANY

Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for the transfer and vesting of the assets and liabilities of the Transferor Company in its books of accounts as a common control business combination as per "Pooling of Interest Method" prescribed under the Indian Accounting Standard Ind-AS 103 - "Business Combination" notified under Section 133 of the Act read with relevant rules issued thereunder and other applicable Accounting Standards provided under the Act, specifically:

- 13.1. All the assets, liabilities and reserves in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the scheme and shall be recorded at their carrying amounts as appearing in the books of the Transferor Company, on the Appointed Date;
- 13.2. The identity of the reserves shall be preserved and shall appear in the books of the Transferee Company in the same form in which they appeared in the books of the Transferor Company.
- 13.3. The Transferee Company shall credit to its Share Capital Account, the aggregate face value of the shares issued by it pursuant to Clause 12 of this Scheme.
- 13.4. Upon the Scheme coming into effect, 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 13.1 over the face value of the shares issued and allotted pursuant to clause 12, shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company.
- 13.5. The inter-company investments, loans, advances, deposits, balances unpaid dividend or other obligations between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- 13.6. The Transferee Company shall record in its books of account, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from Appointed Date to the Effective Date.
- 13.7. In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position on the basis of consistent accounting policies.
- 13.8. Notwithstanding the above accounting treatment, the Board of Directors of the Transferee Company are authorized to account for any of these transactions / balances in any manner whatsoever, as may be deemed fit, in accordance with applicable Indian Accounting Standards notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and generally accepted accounting principles adopted in India.

14. COMPLIANCE WITH TAX LAWS

- 14.1. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the IT Act and other relevant provisions of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act and other relevant provisions of the IT Act.
- 14.2. All tax assessment proceedings / appeals (including application and proceedings in relation to advance ruling) of whatsoever nature by or against the Transferor Company pending and / or arising at the Appointed Date and relating to the Transferor Company shall be continued and / or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Company.
- 14.3. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 14.4. Any tax liabilities including but not limited to liabilities under the IT Act, foreign tax credit, Tax Treaties, Customs Act 1962, Service Tax laws, VAT laws, Goods and Service Tax laws or other applicable laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provisions in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.
- 14.5. Any refund including but not limited to refund under the IT Act, foreign taxes, Customs Act 1962, Service Tax laws, VAT laws, Goods and Service Tax laws or other applicable laws / regulations dealing with taxes / duties / levies allocable or related to the business of the Transferor Company due to the Transferor Company consequent to the assessment made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

- 14.6. On or after the Effective Date, the Transferee Company is expressly permitted to revise, its financial statements and returns along with prescribed forms, filings and annexures under the IT Act (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), service tax law, VAT law, Goods and Service tax law and other tax laws, and to claim refunds and / or credits for taxes paid (including tax on book profits, MAT credit and foreign tax credit), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme notwithstanding that the period of filing / revising such returns / forms may have lapsed and period to claim refund / credit also elapsed upon this Scheme becoming effective. Nothing contained in this Scheme, shall restrict the Transferee Company to record assets and liabilities for income tax purpose in accordance with the principles enunciated under the IT Act.
- 14.7. All taxes including income-tax, minimum alternate tax, foreign taxes, custom duty, service tax, goods and service tax, etc. paid or payable by the Transferor Company in respect of their operations and / or the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income-tax, minimum alternate tax, custom duty, service tax, goods and service tax, etc.) whether by way of deduction of tax at source, advance tax or otherwise howsoever, by the Transferor Company in respect of their profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by the Transferor Company / Transferee Company on payables to the Transferee Company / Transferor Company on account of inter-se transactions which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any goods and service tax paid by the Transferor Company / Transferee Company to the Transferee Company / Transferor Company on account of inter-se transactions which has been deemed not to be accrued, shall be deemed to have been paid by or on behalf of the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 14.8. After the Appointed Date, obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company including but not limited to obligation under the IT Act, customs law, goods and service tax law or other applicable laws / regulations dealing with taxes / duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 14.9. Without prejudice to the generality of the above, all benefits, incentives, losses, credit for tax including on book profits, accumulated losses, credits (including, without limitation income tax, excise duty, service tax, applicable state value added tax, Cenvat Credit, goods and service tax credit, etc.) to which the Transferor Company is entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company on and after the Appointed Date, even if such credits have not been availed off in the books as on the date of transfer. Also, the Transferee Company will be entitled to avail Cenvat Credit / Goods and Service Tax Credit after the Appointed Date in respect of all duties / taxes where the documents are in the name of the Transferor Company. Further, licenses issued to the Transferor Company by any regulatory authorities, if any, and all benefits and tax credits, if any, associated with it shall stand transferred to the Transferee Company upon the Scheme becoming effective.

15. DISSOLUTION OF THE TRANSFEROR COMPANY WITHOUT WINDING UP

Subject to an order being made by the under Section 230 to 232 of the Act, the Transferor Company shall be dissolved without the process of winding up on the Scheme becoming effective in accordance with the provision of the Act and the Rules made hereunder.

16. COMBINATION OF AUTHORISED SHARE CAPITAL

- 16.1. Upon the Scheme becoming effective, the Authorised Share Capital of the Transferor Company shall stand transferred, re-organised, credited and merged with that of the Transferee Company without payment of additional fees and stamp duty as the said fees and stamp duty have already been paid by the Transferor Company and the Authorised Share Capital of the Transferee Company will be increased to that effect by just filing requisite forms and no separate procedure shall be followed under the Act. Consequently, the Memorandum of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act as follows:

“The authorized share capital of the company is Rs.30,42,56,000/- (Thirty Crores Forty Two Lakhs Fifty Six Thousand only) divided in to 2,83,25,600 (Two Crores Eighty Three Lakhs Twenty Five Thousand Six Hundred) equity shares of Rs.10 (Rupees Ten) each and 21,00,000 (Twenty One Lakhs) 8% Non- Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each with power to the Company to increase or reduce the capital of the Company and to divide the equity and preference shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Companies Act, 2013, or any statutory modification or re-enactment thereof for the time being in force or as provided by the Articles of Association of the Company”

- 16.2. The approval of this Scheme under Sections 230 to 232 of the Companies Act, 2013 shall be deemed to have the approval under Section 13, 61 and other applicable provisions of the Companies Act, 2013, and any other approvals required in this regard. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their approval also to the alteration to the Memorandum of Association of the Transferee Company as may be required under the Act.

17. EXEMPTION UNDER SAST REGULATIONS

For avoidance of doubts, it is hereby clarified that pursuant to Amalgamation of the Transferor Company into and with the Transferee Company, the issuance of shares of the Transferee Company to the shareholders of the Transferor Company as a consideration for the amalgamation of the Transferor Company into and with the Transferee Company, in terms of this Scheme, is exempt under the provisions of Regulation 10(1)(d)(ii) of the SAST Regulations, and therefore the requirement to make an open offer shall not be triggered in terms of the provisions of the SAST Regulations.

PART - III

GENERAL CLAUSES, TERMS AND CONDITIONS

18. DIVIDENDS

- 18.1. The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends to their respective shareholders in respect of the accounting period commencing from and after Appointed Date and up to the Effective Date. The dividend, if any, shall be declared by the Transferor Company only with the prior written consent of the Board of Directors of the Transferee Company.
- 18.2. It is clarified that the provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholders of the Transferor Company and / or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company, subject to such approval of the shareholders, as may be required.

19. VALIDITY OF RESOLUTIONS

Upon the coming into effect of the Scheme, the resolutions passed by the Board of Directors and / or shareholders of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company and which are valid and subsisting shall continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and if any such resolutions have monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits as are considered necessary by the Board of Directors of the Transferee Company shall be added to the limits if any, under like resolutions passed by the Board of Directors and / or the shareholders of the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

20. APPLICATIONS TO THE NCLT

Both the Transferor Company and the Transferee Company shall make applications to the NCLT, Mumbai Bench since the registered office of Transferor Company and Transferee Company is situated in Mumbai. The jurisdiction of the Transferor Company and Transferee Company is NCLT, Mumbai Bench, for sanctioning this Scheme under Sections 230-232 of the Act for orders thereof for carrying this Scheme into effect.

21. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 21.1. Subject to approval of NCLT, the Parties through their Board of Directors including any Committee of Directors or other persons, duly authorised by the Board of Directors in this regard, may make, or assent to, any alteration or modification to this Scheme or to any conditions or limitations or orders, which the NCLT or any other Competent Authority may deem fit to direct, approve or impose and may give such directions as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect. The shareholders approving the Scheme shall be deemed to have given their consent to the proposed modification to the scheme without any further recourse to them.
- 21.2. If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and Transferee Company, affect the validity of implementation of the other parts and / or provisions of the Scheme. If any part or provision of this Scheme hereof is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and Transferee Company that such part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part or provision, as the case may be, shall cause this Scheme to become materially adverse to the Transferor Company and / or Transferee Company, in which case the Transferor Company and / or Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and / or Transferee Company, the benefits and obligations of the Scheme, including but not limited to such part or provision.

22. SCHEME CONDITIONAL ON APPROVALS /SANCTIONS

22.1. The Scheme is conditional upon and subject to:

- i. approval of Appropriate Authorities (including SEBI) and receipt of 'No Objection letter' from Stock Exchange where such approval or consent is necessary;

- ii. the approval of the Scheme by the requisite majority of the respective members and such class of persons of Transferor Company and the Transferee Company, as required in terms of the applicable provisions of the relevant Act as well as any requirements that may be stipulated by the Appropriate Authority in this respect;
- iii. the approval of the shareholders of Transferor and Transferee Company through e-voting and / or other mode as may be required under any applicable law and the SEBI Circular. The scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of Para 10(a) of Part I of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/665 dated November 23, 2021 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- iv. sanction of the Appropriate Authority, being obtained under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act, if so required on behalf of the Transferor Company and the Transferee Company;
- v. the necessary certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the Registrar of Companies; and
- vi. all other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

23. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferor Company, Transferee Company, Governmental Authorities and all concerned parties without any further act, deed, matter or thing.

24. COSTS

All costs, charges, levies and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) of the Transferor Company and Transferee Company, respectively in relation to or in connection with or incidental to this Scheme or the implementation thereof shall be borne and paid for by the Transferee Company, unless otherwise determined by the Boards of Directors of the Transferor Company and Transferee Company.

25. SEVERABILITY

- 25.1. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and / or Transferee Company, affect the validity or implementation of the other parts and / or provisions of this Scheme.
- 25.2. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement amongst the Transferor Company and Transferee Company and their respective shareholders, and the terms and conditions of this Scheme, the latter shall prevail.

26. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Undertaking of the Transferor Company are transferred, vested, recorded, effected and / or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of the Transferee Company, such Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the relevant Parties, the Transferor Company will continue to hold the property and / or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Transferee Company.

27. REMOVAL OF DIFFICULTIES

The Transferor Company and the Transferee Company through mutual consent and acting through their respective Boards, jointly and as mutually agreed in writing may give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of NCLT or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and / or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those to the extent permissible under Applicable Law; and do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

28. EFFECT OF NON-RECEIPT OF APPROVALS

- 28.1. In the event of any of the said sanctions and approvals referred to in Clause 22 not being obtained and / or the Scheme not being sanctioned by the NCLT or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be

preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Upon the termination of this Scheme as set out in above clause, no rights and liabilities shall accrue to or be incurred by respective Parties or their shareholders or creditors or employees or any other persons. In such case, each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

- 28.2. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post the Amalgamation.

Niranjan Kumar

Registered Valuer- Securities or Financial Assets

Date: 14 January 2022

To,
 Audit Committee/ The Board of Directors
 Indokem Limited
 Plot No. 410/411, Khatau House,
 Mogul Lane, Mahim
 Mumbai – 400016

To,
 Audit Committee/ The Board of Directors
 Refnol Resins and Chemicals Limited
 Plot no. 410/411, Khatau House
 Mogul Lane, Mahim
 Mumbai - 400016

Subject: Recommendation of share exchange ratio for the proposed amalgamation of Refnol Resins and Chemicals Limited ('Refnol') with Indokem Limited ('Indokem')

Dear Sir/ Madam,

We refer to the engagement letter dated 14 June 2021 and discussion undertaken with the Management of Indokem Limited ('Indokem' or 'Transferee Company') and Refnol Resins and Chemicals Limited ('Refnol' or 'Transferor Company') (hereinafter both together referred to as 'the Management'), wherein the Management has requested Niranjan Kumar, Registered Valuer – Securities or Financial Assets ('NK', 'we' or 'us') to undertake a valuation exercise and recommend a share exchange ratio for the proposed amalgamation of Refnol (Transferor Company) with Indokem (Transferee Company) ('Proposed Amalgamation').

Hereinafter the Management including the Board of Directors of Indokem and Refnol shall together be referred to as 'the Management'; and the Transferor Company and the Transferee Company shall together be referred to as 'Transacting Companies'.

Please find enclosed the report (comprising 15 pages including annexures) detailing our recommendation of share exchange ratio for the proposed amalgamation, the methodologies employed and the assumptions used in our analysis.

This report sets out our scope of work, background, source of information, procedures performed by us and our recommendation of the share exchange ratio.

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

Indokem Limited ('Indokem' or 'Transferee Company') (formerly known as 'Khatau Junker Limited') was incorporated on 22 December 1964 and is engaged in the business of manufacturing and marketing of dyes, sizing chemicals, textile auxiliaries and electrical capacitors. The equity shares of Indokem are listed on BSE.

Refnol Resins and Chemicals Limited ('Refnol' or 'Transferor Company') (formerly known as 'Refnol Oil Refineries Limited') was incorporated on 01 December 1980 and is engaged in the business of manufacturing and marketing of resins and chemicals. The equity shares of Refnol are listed on BSE.

We understand that the Management of the Transacting Companies are contemplating a scheme of amalgamation, wherein they intend to amalgamate Refnol with Indokem in accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 and the circulars issued therein, in each case, as amended from time to time, and in a manner provided in the Draft Scheme of Amalgamation ('the Scheme'). Further as a consideration for the proposed amalgamation under Part II the Scheme, equity shares of the Transferee Company would be issued to the equity shareholders Transferor Company.

The equity shares to be issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of Directors based on the share exchange ratio report prepared by us.

We would like to emphasize that we had previously issued the valuation report dated 13 September 2021 recommending share exchange ratio basis the limited reviewed unaudited standalone/ consolidated financial statements of Transacting Companies as at 30 June 2021. However after taking into consideration the latest requirements of Stock Exchange for furnishing valuation report recommending the share exchange ratio based on the financial statements not being older than 3 (three) months from the date of valuation report, the Management has requested Niranjana Kumar, Registered Valuer – Securities or Financial Assets ('NK', 'we' or 'us') to submit a revised valuation report recommending a revised share exchange ratio considering the limited reviewed unaudited standalone/ consolidated financial statements of the Transacting Companies as at 31 December 2021.

In light of the above, we have determined the revised share exchange ratio based on our updated valuation analysis considering the limited reviewed unaudited financial statements of the Transacting Companies as at 31 December 2021 and closing market prices prevailing as at the report date ('Valuation Date')

We would like to emphasize that certain terms of the proposed amalgamation are stated in our report, however the detailed terms of the proposed amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.

We understand that the appointed date for the proposed amalgamation shall be 01 April 2021 as defined in the Scheme or such other date as the competent authority may direct or approve. We have determined the revised share exchange ratio for the proposed amalgamation as at the Valuation Date.

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the Transacting Companies and then arrive at the share exchange ratio using internationally accepted valuation methodologies as may be applicable to the Transacting Companies and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI) and requirement prescribed by the Regulations applicable to listed companies as prescribed by the Securities Exchange Board of India ('SEBI').

The Management have informed us that:

- a) There would not be any capital variation in the Transacting Companies till the proposed amalgamation becomes effective without approval of the shareholders and other relevant authorities;
- b) Till the proposed amalgamation becomes effective, neither of the Transacting Companies would declare any dividend which are materially different from those declared in the past few years.

- c) There are no unusual/ abnormal events in the Transacting Companies other than those represented to us by the Management till the report date materially impacting their operating / financial performance.
- d) There would be no significant variation between the draft scheme of amalgamation and the final scheme approved and submitted with the relevant authorities.

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.

<<<<<This space has been intentionally left blank>>>>>

COMPANY OVERVIEW AND SHAREHOLDING PATTERN OF TRANSACTING COMPANIES:

a) Indokem Limited ('Indokem' or Transferee Company')

Indokem is engaged in the business of manufacturing and marketing of dyes, sizing chemicals, textile auxiliaries and electrical capacitors. The manufacturing and warehousing facilities of Transferee Company are located at Dahisar Mori and Ambernath near Mumbai.

The equity shareholding pattern of Indokem as at 31 December 2021 is set out below:

Category of shareholder	Number of shares (Face value of INR 10 each)	Percentage %
Promoter and Promoter Group	1,72,53,011	70.9%
Public	70,72,589	29.1%
Total	2,43,25,600	100.0%

In addition to the equity shares, Indokem has issued non-cumulative redeemable preference shares, the total number of 8% Non-cumulative redeemable preference shares issued by Indokem and outstanding as at report date is set out below:

Particulars	Number of shares
Preference shares having a face value of INR 10	20,70,975

b) Refnol Resins and Chemicals Limited ('Refnol' or 'Transferor Company')

Refnol is engaged in the business of manufacturing and marketing of resins and chemicals. Refnol holds 100% equity stake in Refnol Overseas Limited ('Refnol Overseas') which further holds 100% controlling interest in Texcare Middle East L.L.C. (TCME).

The equity shareholding pattern of Refnol as at 31 December 2021 is set out below:

Category of shareholder	Number of shares (Face value of INR 10 each)	Percentage %
Promoter and Promoter Group	16,55,431	53.6%
Public	14,34,469	46.4%
Total	30,89,900	100.0%

SOURCES OF INFORMATION

In connection with the recommendation of share exchange ratio, we have used the following information obtained from the Management and/ or gathered from public domain:

A. Company specific information:

Information provided by the Management which includes:

- Limited reviewed unaudited standalone financial statements for nine months period ended 31 December 2021 and audited standalone financial statements for the financial year ended 31 March 2021 of Indokem;
- Limited reviewed unaudited consolidated financial statements for nine months period ended 31 December 2021 and audited consolidated financial statements for the financial year ended 31 March 2021 of Refnol;
- Shareholding pattern of Transacting Companies as at 31 December 2021;
- Draft scheme of amalgamation between the Transacting Companies pursuant to which proposed amalgamation is to be undertaken;
- Discussions and correspondence with the Management in connection with business operations, past trends, proposed future business plans and prospects, realizability of assets, etc.

B. Industry and economy information:

- Information including market prices, trading volumes, trading multiples etc. of Transacting Companies and other listed comparable companies of Indokem, available in public domain and databases such as Capitaline, NSE, BSE etc.
- Such other information and documents as provided by the Management for the purposes of this engagement.

Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope.

We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the Management.

The Management of the Transacting Companies have been provided with the opportunity to review the draft report (excluding the recommended share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided in our report.

<<<< This space has been left blank intentionally>>>>

PROCEDURES ADOPTED

Procedures used in our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Discussion with the Management to:
 - Understand the business and fundamental factors that affect the business of the Transacting Companies including their earning generating capability.
 - Enquire about the historical financial performance and current state of affairs.
- Analysis of information shared by the Management;
- Reviewed the draft scheme of amalgamation between the Transacting Companies;
- Reviewed the limited reviewed unaudited standalone financial statements for nine months period ended 31 December 2021 and audited standalone financial statements for the financial year ended 31 March 2021 of Indokem;
- Reviewed the limited reviewed unaudited consolidated financial statements for nine months period ended 31 December 2021 and audited consolidated financial statements for the financial year ended 31 March 2021 of Refnol;
- Reviewed the shareholding pattern of Transacting Companies as at 31 December 2021;
- Identification of suitable comparable companies for Indokem in discussion with the Management;
- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and consideration to the sector in which the Transacting Companies operate and analysis of the business operations and financial performance of the Transacting Companies;
- Arrived at valuations of the Transacting Companies using the method/(s) considered appropriate;
- Arrive at the value of the shares after giving due weightage to the value arrived under the different methods.
- Arrived at the share exchange ratio for the proposed amalgamation of Refnol with Indokem.

<<<<< This space has been left blank intentionally>>>>>

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

This report, its contents and the results herein are specific and subject to:

- the purpose of the valuation agreed as per the terms of the engagement;
- the date of the report;
- shareholding pattern of Transacting Companies as at 31 December 2021;
- limited reviewed unaudited standalone/ consolidated financial statements for nine months period ended 31 December 2021 of the Transacting Companies;
- comparability of the companies considered for comparable companies multiple (CCM) Method including the financial parameters considered;
- accuracy of the information available in public domain with respect to Transacting Companies and other comparable companies identified for Indokem and their financial information considered;
- market price reflecting the fair value of the underlying equity shares of the Transacting Companies;
- draft scheme of amalgamation pursuant to which the proposed amalgamation between Transacting Companies is to be undertaken; and
- data detailed in the section - Sources of Information.

We have been informed that the business activities of the Transacting Companies have been carried out in the normal and ordinary course between the latest available financials and the report date and that no material changes have occurred in their respective operations and financial position between the latest available financial statements and the report date.

A value analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on information made available to us as of the date of this report, events occurring after that date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the valuer and judgment taking into account the relevant factors. There will always be several factors e.g. Management capability, present and prospective yield on comparable securities, market sentiment etc., which are not evident on the face of the financial statement, but which will strongly influence the worth of a share.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Transacting Companies till the date of this report and other sources, and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

The determination of fair value for arriving at share exchange ratio is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided

our recommendation of the share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the share exchange ratio at which the proposed amalgamation shall take place will be with the Board of Directors of the Transacting Companies, who should take into account other factors such as their own assessment of the proposed amalgamation and input of other advisors.

In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data including information as detailed in the section – Sources of Information.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of

- the accuracy of information that was publicly available; and
- the accuracy of information made available to us by the Management;

both of which formed a substantial basis for the report.

We have not carried out a due diligence or audit or review of the Transacting Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the proposed amalgamation. We do not express any form of assurance that the financial information or other information as prepared and provided by the Management of the Transacting Companies is accurate. Also, with respect to explanations and information sought from the advisors, we have been given to understand by the Transacting Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Management. The Management has indicated to us that they have understood any omissions, inaccuracies or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by the Transacting Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Transacting Companies. However, nothing has come to our attention to indicate that the information provided to us was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The report assumes that the transacting Companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Transacting Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this report has given no consideration on to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not represented to us by the Management.

This report does not look into the business/ commercial reasons behind the proposed amalgamation nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the proposed amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This report is restricted to recommendation of share exchange ratio only.

We would like to emphasize that we had previously issued the valuation report dated 13 September 2021 recommending share exchange ratio basis the limited reviewed unaudited standalone/ consolidated financial statements of Transacting Companies as at 30 June 2021. However after taking into consideration the latest requirements of Stock Exchange for furnishing valuation report recommending the share exchange ratio based on the financial statements not being older than 3 (three) months from the date of valuation report, the Management has requested NK to submit a revised valuation report recommending a revised share exchange ratio considering the limited reviewed unaudited standalone/ consolidated financial statements of the Transacting Companies as at 31 December 2021. Accordingly, we have determined the revised share exchange ratio based on our updated valuation analysis considering the limited reviewed unaudited financial statements of the Transacting Companies as at 31 December 2021 and closing market prices prevailing as at the report date ('Valuation Date')

We must emphasize that one of the Transacting Company had incurred loss in the previous year, we have therefore used different valuation methods to determine the fair value of the two transacting company equity shares.

We would like to emphasize that latest financials of the Transacting Companies as at the report date were not provided by the Management for the purpose of our value analysis, however, the Management has represented that they do not expect significant changes in financial performance between 31 December 2021 and the report date. We have therefore considered the financials as at 31 December 2021 of Transacting Companies for the purpose of our value analysis.

We must emphasize that the realization of the assets at their values considered in our analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis therefore, will not, and cannot be directed to provide any assurance about the realisation of the assets at the values considered in our analysis.

Certain terms of the proposed amalgamation are stated in our report, however the detailed terms of the proposed amalgamation shall be more fully described and explained in the scheme document to be submitted with relevant authorities in relation to the proposed amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the Scheme document.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility only to the Board of Directors of the Transacting Companies who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion. In no circumstance shall our liability exceed the amount as agreed in our Engagement Letter.

This valuation report is subject to the laws of India.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the share exchange

ratio for the proposed amalgamation and relevant filing with regulatory authorities in this regard, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of Refnol and Indokem shall trade following announcements of the proposed amalgamation and we express no opinion or recommendation as to how shareholders of the Transacting Companies should vote at any shareholders' meetings. Our report and the opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

<<<< This space has been left blank intentionally>>>>

VALUATION APPROACHES

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions with respect to project related performance, market, industry performance and general business and economic conditions, many of which are beyond the control of the company.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purpose, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

The following are commonly used and accepted methods for determining the value of the equity shares of a company:

1. Market Approach:
 - a) Market Price method
 - b) Comparable Companies Market Multiple method
2. Income Approach – Discounted Cash Flow method
3. Asset Approach – Net Asset Value method

For the proposed amalgamation, we have considered the following commonly used and accepted methods for determining the value of the equity shares of the Transacting Companies for the purpose of recommending the share exchange ratio, to the extent relevant and applicable:

1. Market Approach

a) Market Price Method

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, subject to the element of speculative support that may be inbuilt in the value of the shares.

In the present case, equity shares of Indokem and Refnol are listed on BSE, they are regularly and frequently traded with reasonable volumes on the exchanges. We have therefore used the market price approach to value the equity shares of Indokem and Refnol.

b) Comparable Companies Multiples ('CCM') / Comparable Transactions Multiples ('CTM') method

Under CCM, the value of shares/ business of a company is determined based on market multiples of publicly traded comparable companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. CCM applies multiples derived from similar or 'comparable' publicly traded companies. Although no two companies are entirely alike, the companies selected as comparable companies should be engaged in the same or a similar line of business as the subject company. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Based on our analysis and discussion with the Management, we understand that there are comparable listed companies which operate in similar line of business and have similar business model as that of Indokem, we have therefore used CCM Method to value the equity shares of Indokem.

Refnol has incurred loss in the previous year hence use of the profitability matrices is not possible. Further, valuation of loss-making companies is not comparable with those of profitable companies when considered on other financial parameters, we have therefore not used the CCM Method to value the equity shares of Refnol.

Under CTM, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Based on our analysis and discussion with the Management, we understand that there are no recent comparable transactions, data of which is available in public domain, involving companies of similar nature and having a similar operating/ financial metrics as that of Indokem and Refnol, we have therefore not used CTM method to value the equity shares of these Companies.

2. Income Approach – Discounted Cash Flow Method ('DCF')

DCF method values a business based upon the available cash flow a prudent investor would expect the subject business to generate over a given period of time. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the terminal value at an appropriate discount factor. The free cash flows represent the cash available for distribution to both the owners of and lenders to the business. The terminal value represents the total value of the available cash flow for all periods subsequent to the forecast period. The terminal value of the business at the end of the forecast period is estimated and discounted to its equivalent present value and added to the present value of the explicit forecast period cash flow to estimate the value of the business.

The projected free cash flows are discounted by the Weighted Average Cost of Capital (WACC) to arrive at the enterprise value. The WACC represents the returns required by the investors of both debt and equity weighed to their relative funding in the entity.

Indokem and Refnol both are listed companies and since the information related to future financial projections of the Company or its subsidiaries are price sensitive in nature, further given the uncertainties with respect to Covid – 19 and its impact on business, we were not provided with the financial projections of these Companies by the Management. We have therefore not used DCF method to determine the fair value of the equity shares of Indokem and Refnol.

3. Asset Approach - Net Asset Value Method ('NAV')

The asset-based value analysis technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This methodology is likely to be appropriate for business which derives value mainly from the underlying value of its assets rather than its earnings i.e. in case where the assets base dominates earning capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

Based on our analysis and discussion with the Management we understand that Refnol derives major of its value from the significant asset base held by them, we have therefore used NAV method to determine the fair value of the equity shares of Refnol.

NAV Method does not value the future profit earning potential of the business, we have therefore not used this method to value the equity shares of Indokem.

<<<< This space has been left blank intentionally>>>>

RECOMMENDATION OF THE RATIO OF SHARE EXCHANGE FOR THE PROPOSED AMALGAMATION.

The share exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Transferor company and Transferee company for the proposed scheme of amalgamation based on the various methodologies mentioned herein earlier. Suitable rounding off have been carried out wherever necessary to arrive at the recommended share exchange ratio.

Refer Annexure 1 for value per share under different methods prescribed and the share exchange ratio.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope, limitations and assumptions describe in this report and the engagement letter, we recommend the share exchange ratio as follows:

1) To the equity shareholders of Refnol

1,153 (One Thousand One Hundred and Fifty-Three) equity shares of Indokem having face value of INR 10 each fully paid up shall be issued for every 1,000 (One Thousand) equity shares held in Refnol having face value of INR 10 each fully paid up.

Respectfully submitted,



Niranjana Kumar
Registered Valuer- Securities or Financial Assets
IBBI Registration Number: IBBI/RV/06/2018/10137
ICAIRVO/06/RV-P000021/2018-19
UDIN: 22121635AAAAAI6066

Date: 14 January 2022
Place: Pune

Annexure 1: Summary of share exchange ratio

Amalgamation of Refnol (Transferor Company) with Indokem (Transferee Company)

Valuation Approach	Indokem (A) Transferee Company		Refnol (B) Transferor Company	
	Value per share (INR)	Weight (%)	Value per share (INR)	Weight (%)
Market approach				
- Market Price Method	39.23	50.0%	37.19	50.0%
- Comparable Companies Multiple (CCM) Method	48.75	50.0%	NA	0.0%
Income approach - Discounted Cash Flows Method	NA	0.0%	NA	0.0%
Asset approach - NAV Method	NA	0.0%	64.22	50.0%
Relative value per share	43.99	(A)	50.70	(B)
Share Exchange Ratio Round Off [(B)/(A)]				1.153
Recommended Share Exchange Ratio (For every 1000 equity shares)				1,153

NA : Not Adopted

Notes:

1) Market Approach – Comparable Companies Multiple (CCM) Method

Refnol has incurred loss in the previous year hence use of the profitability matrices is not possible. Further, valuation of loss-making companies is not comparable with those of profitable companies when considered on other financial parameters, we have therefore not used the CCM Method to value the equity shares of Refnol.

2) Income Approach- Discounted Cash Flow Method

Indokem and Refnol both are listed companies and since the information related to future financial projections of the Company or its subsidiaries are price sensitive in nature, further given the uncertainties with respect to Covid – 19 and its impact on business, we were not provided with the financial projections of these Companies by the Management. We have therefore not used DCF method to determine the fair value of the equity shares of Indokem and Refnol.

3) Asset Approach- NAV Method

NAV Method does not value the future profit earning potential of the business, we have therefore not used this method to value the equity shares of Indokem.

<<<< This space has been left blank intentionally>>>>



Date: 14 January 2022

To,
The Board of Directors,
Indokem Limited
 Plot No. 410/411, Khatau House,
 Mogul Lane, Mahim (W),
 Mumbai-400016, India.

To,
The Board of Directors
Refnol Resins and Chemicals Limited
 Plot No. 410/411, Khatau House,
 Mogul Lane, Mahim (W),
 Mumbai-400016, India.

Subject: Fairness opinion on the share exchange ratio recommended by Niranjn Kumar, Registered Valuer- Securities or Financial Assets for the proposed amalgamation of Refnol Resins and Chemicals Limited with Indokem Limited.

We refer to the engagement letter dated and discussions undertaken with the Management of Indokem Limited ("Indokem" or "Transferee Company") and Refnol Resins and Chemicals Limited ("Refnol" or "Transferor Company") (hereinafter both of them together referred to as "the Management"), wherein the Management has requested Kunvarji Finstock Private Limited ("Kunvarji" or "We" or "us") to provide a fairness opinion on the share exchange ratio recommended by Niranjn Kumar, Registered Valuer - Securities or Financial Assets ("Independent Valuer") vide report dated 14 January 2022 ("Valuation Date") in connection with the proposed amalgamation of Refnol Resins and Chemicals Limited with Indokem Limited (together Indokem and Refnol are referred to as "Transacting Companies") (hereinafter referred to as "Proposed amalgamation" or "Proposed Transaction").

Please find enclosed our deliverables in the form of report ("the Report"). This Report sets out the background of the companies, transaction overview, scope of work, sources of information, procedures adopted and our opinion on the share exchange ratio recommended by Independent Valuer for the aforesaid Proposed amalgamation. This Report is subject to the scope, assumptions, exclusions, limitation and disclaimers detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

This report has been issued only for the purpose of facilitating the Proposed Transaction and should not be used for any other purpose.

For, Kunvarji Finstock Private Limited



Mr. Atul Chokshi
Director (DIN: 00929553)

Place: Ahmedabad

FAIRNESS OPINION

**IN THE MATTER OF SCHEME OF AMALGAMATION IN THE NATURE OF
PROPOSED AMALGAMATION OF**

REFNOL RESINS AND CHEMICALS LIMITED (TRANSFEROR COMPANY)

WITH

INDOKEM LIMITED (TRANSFeree COMPANY)

STRICTLY PRIVATE AND CONFIDENTIAL

Prepared By:



Kunvarji Finstock Private Limited
(SEBI Category I Merchant Banking Registration Number – INM000012564)

Kunvarji, B-Wing,
Siddhivinayak Towers,
Nr. D.A.V. School, Off. S. G. Road,
Makarba,
Ahmedabad-380051

TABLE OF CONTENTS

Particulars	Page No.
Companies Background	4
Transaction Overview and Scope of Services	5
Sources of Information	6
Procedures Adopted	7
Statement Of Limiting Conditions	8-9
Independent Valuer's Recommendation and Our Comment	10

COMPANIES BACKGROUND

Indokem Limited

Indokem Limited ('Indokem' or 'Transferee Company') (formerly known as 'Khatau Junker Limited') was incorporated on December 22, 1964 and is engaged in the business of manufacturing and marketing of dyes, sizing chemicals, textile auxiliaries and electrical capacitors. The equity shares of Indokem are listed on BSE.

The Equity Shareholding Pattern as on 31 December 2021 of Indokem Limited is as follows:

Category of shareholder	Number of Shares (Face value of INR 10 each)	% Shareholding
Promoter and Promoter Group	1,72,53,011	70.9%
Public	70,72,589	29.1%
Total	2,43,25,600	100.0%

In addition to the above mentioned equity shares, Indokem has issued 20,70,975 8% Non-cumulative redeemable preference shares and which are outstanding as at Valuation Date.

Refnol Resins and Chemicals Limited

Refnol Resins and Chemicals Limited ('Refnol' or 'Transferor Company') (formerly known as 'Refnol Oil Refineries Limited') was incorporated on 01 December, 1980 and is engaged in the business of manufacturing and marketing of resins and chemicals. The equity shares of Refnol are listed on BSE.

The Equity Shareholding Pattern as on 31 December 2021 of Refnol Resins and Chemicals Limited is as follows:

Category of shareholder	Number of Shares (Face value of INR 10 each)	% Shareholding
Promoter and Promoter Group	16,55,431	53.6%
Public	14,34,469	46.4%
Total	30,89,900	100.0%

TRANSACTION OVERVIEW AND SCOPE OF SERVICES

Transaction Overview:

We understand that the Management of the Companies are contemplating a scheme of amalgamation, wherein they intend to amalgamate Refnol Resins and Chemicals Limited ("Refnol" or "Transferor Company") with Indokem Limited ("Indokem" or "Transferee Company") ("Proposed Amalgamation") in accordance with the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and in a manner provided in the Draft Scheme of Amalgamation.

As a consideration for this Proposed Amalgamation, equity shareholders of Refnol would be issued equity shares of Indokem in lieu of their shareholding in Refnol. The equity shares to be issued for the aforesaid proposed amalgamation will be based on the share exchange ratio as determined by the Board of Directors based on the Share Exchange Ratio report prepared by Independent Valuer appointed by them.

Scope of Services:

Pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 or SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, as amended from time to time, we have been requested by the Management of Transacting Companies to issue a fairness opinion in relation to the share exchange ratio recommended by Independent Valuer vide report dated 14 January 2022 for the proposed amalgamation of the Transferor Company with the Transferee Company.

In this regard, the Management has appointed Kunvarji Finstock Private Limited ("Kunvarji" or "We" or "us"), SEBI Registered (Category I) to provide fairness opinion on the equity share exchange ratio recommended by an Independent Valuer as at Valuation Date for the Proposed Amalgamation.

Our scope of work only includes forming an opinion on the fairness of the recommendation of the Valuer on the share exchange ratio arrived at for the purpose of Scheme and does not involve evaluating or opining on the fairness or economic rationale of the Scheme per se. This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

SOURCES OF INFORMATION

In connection with this exercise, we have relied on the following information from the Management of Transacting Companies/ obtained from public domain:

- Signed share exchange ratio report issued and prepared by Niranjana Kumar, Registered Valuer- Securities or Financial Assets dated 14 January, 2022.
- Draft Scheme of Amalgamation between the Transacting Companies pursuant to which the Proposed Amalgamation is to be undertaken.
- Limited reviewed unaudited standalone financial statements for nine months period ended 31 December 2021 and audited standalone financial statements for the financial year ended 31 March 2021 of Indokem.
- Limited reviewed unaudited standalone/ consolidated financial statements for nine months period ended 31 December 2021 and audited standalone/ consolidated financial statements for the financial year ended 31 March 2021 of Refnol.
- Shareholding pattern as on 31 December 2021 for the Transacting Companies.
- Publicly available market data, key trends and valuation multiples of the Comparable Companies.
- Information provided by leading database sources and other publicly available information.
- We have also relied on the various representations, information and explanations given by the Management.

The Management has been provided with the opportunity to review the draft fairness opinion report (excluding our fairness opinion on the share exchange ratio) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided.

PROCEDURES ADOPTED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received financial and qualitative information.
- Obtained data available in public domain.
- Discussions with the Management to:

Understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance of the Companies.

- Reviewed the draft scheme of amalgamation between the Transacting Companies.
- Reviewed signed share exchange ratio report issued and prepared by Niranjan Kumar, Registered Valuer- Securities or Financial Assets dated 14 January 2022.
- Undertook Industry Analysis:
Research publicly available market data including economic factors and industry trends that may impact the valuation.
- Analysis of key trends and valuation multiples of the Comparable Companies using data available in public domain and proprietary databases.
- We have had discussions with Independent Valuer, on such matters we believed were necessary or appropriate for the purpose of issuing this opinion.

STATEMENT OF LIMITING CONDITIONS

The fairness opinion contained herein is not intended to represent fairness opinion at any time other than report date. We have no obligation to update this report.

This Report, its contents and the results herein are specific to (i) the purpose of fairness opinion agreed as per the terms of our engagement; (ii) the Report Date (iii) are based on the limited reviewed unaudited financial statements of the Transacting Companies for nine months period 31 December 2021 and (iv) draft scheme of amalgamation.

A fairness opinion of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The fairness opinion rendered in this Report only represent our opinion based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said opinion shall be considered to be in the nature of non-binding advice. Our fairness opinion should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

Providing fairness opinion is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. In the ultimate analysis, our opinion will have to be tempered by the exercise of judicious discretion and judgment taking into accounts all the relevant factors. There is, therefore, no indisputable single equity share exchange ratio. While we have provided our fairness opinion on the equity share exchange ratio based recommended by the Independent Valuer on the information available to us and within the scope and constraints of our engagement. The final responsibility for the determination of the equity share exchange ratio at which the proposed amalgamation shall take place will be with the Board of Directors of the Companies who should take into account other factors such as their own assessment of the proposed amalgamation and input of other advisors.

We have not independently audited or otherwise verified the financial information provided to us. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Also, with respect to explanations and information sought from the Management, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Transacting Companies and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the information given by/on behalf of the Transacting Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our fairness opinion.

It is understood that this opinion is solely for the benefit of confidential use by the Board of Directors of the Transferee Company and the Transferor Company for the purpose of facilitating companies to comply with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 or SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020, as amended from time to time; disclosures to be made to relevant regulatory authorities including stock exchanges, SEBI, National Company Law Tribunal or as required under applicable law and it shall not be valid for any other purpose. This opinion is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations, and that the Companies will be managed in a competent and responsible manner. Further, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not represented to us by the Management. Our fairness opinion assumes that the assets and liabilities of the Companies, reflected in their respective latest balance sheets remain intact as of the Report date.

The report does not address the relative merits of the proposed amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme of Amalgamation, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of the Transacting Companies will trade following announcement of the proposed amalgamation and we express no opinion or recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the proposed amalgamation.

INDEPENDENT VALUER'S RECOMMENDATION AND OUR COMMENT

As stated in the Share Exchange Ratio Report dated 14 January 2022 prepared by Niranjn Kumar, Registered Valuer- Securities or Financial Assets, they have recommended the following:

"1,153 (One Thousand One Hundred and Fifty-Three) equity shares of Indokem having face value of INR 10 each fully paid up shall be issued for every 1,000 (One Thousand) equity shares held in Refnol having face value of INR 10 each fully paid up"

The aforesaid amalgamation shall be pursuant to the draft scheme of amalgamation and shall be subject to receipt of approval from the National Company Law Tribunal or such other competent authority as may be applicable and other statutory approvals as may be required. The detailed terms and conditions of the amalgamation are more fully set forth in the draft scheme of amalgamation. Kunvarji has issued the fairness opinion with the understanding that draft scheme of amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final scheme of amalgamation alters the Proposed Transaction.

Based on the information, data made available to us, to the best of our knowledge and belief, the Share exchange ratio as recommended by Niranjn Kumar, Registered Valuer- Securities or Financial Assets in relation to the proposed draft scheme of amalgamation is fair to the equity shareholders of Refnol and Indokem in our opinion.

For, Kunvarji Finstock Private Limited



Mr. Atul Chokshi
Director (DIN: 00929553)



Date: 14 January 2022

Place: Ahmedabad

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
 T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
 Corporate Identity Number: L67120MH2005PLC155188



DCS/AMAL/PB/IP/2348/2022-23

“E-Letter”

May 30, 2022

The Company Secretary,
INDOKEM LIMITED.

Khatau House, Mogul Lane, Plot No 410 / 411,
 Mahim, Mumbai, Maharashtra, 400016

Dear Sir,

Sub: Observation Letter regarding the Scheme of Amalgamation (By Absorption) of Refno/ Resins and Chemicals Limited with Indokem Limited and their respective Shareholders

We are in receipt of the draft Scheme of Amalgamation filed by Indokem Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated May 30, 2022, has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- **“Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the Scheme.”**
- **“Company shall ensure that additional information and undertakings, if any submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed Company and the Stock Exchanges.”**
- **“Company shall ensure compliance with the said Circulars along with SEBI Master Circular SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021.”**
- **“The entities involved in the Scheme shall duly comply with various provisions of the Circular.”**
- **“Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.”**
- **“Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old. Moreover, basis of valuation shall be informed to the shareholders.”**
- **“Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.”**
- **“Company is advised that the proposed Equity Shares to be issued in terms of the ‘Scheme’ shall mandatorily be in demat form only.”**
- **“Company is advised that the ‘Scheme’ shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.”**
- **“Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”**
- **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT.”**

- **“It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations.”**

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

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

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

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

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

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

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

Prasad Bhide
Manager

Indokem Limited

(CIN NO. : L31300MH1964PLCO13088)

Registered Office :
"KHATAU HOUSE", Ground Floor,
Mogul Lane, Mahim (West),
Mumbai - 400 016.

Phone : 61236767
Fax : 61236718
Website : www.indokem.co.in

Date: 01st March 2022

BSE Limited

Listing Department,
1st Floor, New Trading Ring,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400 001.
Email: corp.relations@bseindia.com

Security Code No.: 504092

Dear Sir/Madam,

SUB: Report on Complaints in terms of SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 in respect of the Scheme uploaded on stock exchange website on February 7, 2022

REF: Application for grant of approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Scheme of Amalgamation presented under Sections 230 to 232 and other applicable provisions of Companies Act, 2013 ("the Act") for proposed Scheme of Amalgamation of Refnol Resins and Chemicals Limited with Indokem Limited and their respective shareholders ("the Scheme")

This is in reference to our application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed Scheme of Amalgamation of Refnol Resins and Chemicals Limited with Indokem Limited ("the Company") and their respective shareholders.

As per Para I(A)(6) of the SEBI Circular dated November 23, 2021, the Company is required to submit a "Report on Complaints" containing the details of complaints/comments received by the Company on the Draft Scheme, within 7 days of expiry of 21 days from the date of filing of the Scheme with the Exchanges and hosting of the same on its website.

The Scheme and other relevant documents were hosted by BSE Limited on its website on February 7, 2022. Accordingly, please find attached herewith Report on Complaints as the period of 21 days from the hosting of said documents by the BSE Limited on its website expired on February 28, 2022.

The Report on Complaints is also being uploaded on the website of the Company, as per requirement of said SEBI Circular.



Indokem Limited

(CIN NO. : L31300MH1964PLCO13088)

Registered Office :
"KHATAU HOUSE", Ground Floor,
Mogul Lane, Mahim (West),
Mumbai - 400 016.

Phone : 61236767
Fax : 61236718
Website : www.indokem.co.in

Kindly take the same on your record and provide us necessary "No Objection" at the earliest to enable us to file the Scheme of Amalgamation with Hon'ble National Company Law Tribunal.

Thanking You,

Yours Faithfully,
For Indokem Limited



Mr. Rajesh Pisal
Company Secretary

Indokem Limited

(CIN NO. : L31300MH1964PLCO13088)

Registered Office :
"KHATAU HOUSE", Ground Floor,
Mogul Lane, Mahim (West),
Mumbai - 400 016.

Phone : 61236767
Fax : 61236718
Website : www.indokem.co.in

Complaints Report (For period from 7 February 2022 upto 28 February 2022)

Part A

Sr.No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of Complainant	Date of Complaint	Status (Resolved/Pending)
1.			Not Applicable

For & On Behalf Of
Indokem Limited



Name: Mr. Rajesh Pisal
Designation: Company Secretary

Date: 1st March, 2022

INDOKEM LIMITED

CIN NO.: L31300MH1964PLC013088

Registered Office: Plot No. 410/411, Khatau House, Mogul Lane, Mahim, Mumbai 400 016.

Tel No.: +91-22-61236767/61236711 Email: iklsecretarial@gmail.com Website: www.indokem.co.in

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

Sr. No.	Particulars	Quarter ended			Rs. In Lakhs
		June 30, 2022	March 31,	June 30, 2021	Year Ended
		(Unaudited)	2022 (Audited)	(Unaudited)	March 31, 2022 (Audited)
1	INCOME				
a)	Income from operations	2,608	3081	2416	11,356
b)	Other Income	80	11	35	50
	Total income from operations	2,688	3,092	2,451	11,406
2	Expenses				
a)	Cost of materials consumed	2,017	1,981	1,735	7,877
b)	Purchase of stock in trade	239	313	117	937
c)	Changes in inventories of finished goods, work-in-process and stock in trade	(179)	154	50	25
d)	Employee benefits expense	273	235	226	912
e)	Finance cost	41	39	30	133
f)	Depreciation and amortisation expense	31	29	28	114
g)	Other Expenditure	384	282	216	1,125
	Total expenses	2,806	3,033	2,402	11,123
3	Profit / (Loss) before tax (1) - (2)	(118)	59	49	283
4	Tax expenses:				
	Current tax	-	-	-	-
	Excess / short Provision for previous years	-	-	-	-
5	Profit / (Loss) for the year (3) - (4)	(118)	59	49	283
6	Other comprehensive income / (loss) net of tax				
	Items that will not be reclassified subsequently to profit and loss account	2	12	-	7
7	Total comprehensive income / (loss) net of tax (5) + (6)	(116)	71	49	290
8	Paid-up equity share capital (face value of Rs. 10/- each)	2,433	2,433	2,433	2,433
9	Reserves				1,049
10	Earnings per share (EPS) (not annualised)				
	Total Earnings per share				
	(a) Basic (in Rs.)	(0.49)	0.24	0.20	1.16
	(b) Diluted (in Rs.)	(0.49)	0.24	0.20	1.16

NOTES:

- The above financial results were reviewed by the Statutory Auditors, recommended by Audit Committee and approved by the Board of Directors at the meeting held on August 09, 2022.
- The Company operates in two segments, viz. textile dyes and chemicals and electrical capacitors. However the segment reporting for electrical capacitors is not disclosed separately, as the same does not qualify for separate disclosure as per Ind-AS 108 on operating segments.
- The Board of Directors of the Company, at its meeting held on January 15, 2022 have considered and approved a Revised Scheme of Amalgamation between the Company and Refnol Resins and Chemicals Limited. The appointed date for the scheme is April 1, 2021 or such other date as may be fixed or approved by the National Company Law Tribunal. Pending approval from various authorities, no accounting effect has been given to the above scheme for the quarter ended June 30, 2022.
- The figures of the previous period(s) / year have been regrouped / reclassified wherever necessary.



For Indokem Limited

Mahendra K. Khatau
Chairman & Managing Director

DIN: 00062794

Place : Mumbai

Date : 09 August, 2022



Independent Auditor's Review Report on Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors of,
Indokem Limited

1. We have reviewed the accompanying Statement of Unaudited Financial results of Indokem Limited ("the Company") for the quarter ended 30th June, 2022 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, ("Ind AS 34") "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statements based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



VADODARA : The Nirat, 3rd Floor, 18, Windward Business Park, Behind Emerald One Complex, In The Lane of Dr. Prashant Buch, Jetalpur Road, Vadodera - 390 007
● Tel: +91 265 234 3483, +91 265 235 4359 ● Email : vadodara@cnkindia.com

MUMBAI - HO : 3rd Floor, Mistry Bhavan, Dinshaw Vachha Road, Churchgate, Mumbai 400 020, India. ● Tel: +91 22 6623 0600

Website: www.cnkindia.com

MUMBAI | BENGALURU | CHENNAI | AHMEDABAD | GANDHINAGAR | DELHI | DUBAI | SHARJAH

4. We draw attention to Note 3 of the accompanying result regarding Revised Scheme of Amalgamation. The board of directors had at their meeting held on 15th January, 2022 inter alia approved Revised Scheme of Amalgamation between Indokem Limited and Refnol Resins and Chemicals Limited w.e.f. the Appointed Date i.e. 1st April, 2021. The Scheme is subject to necessary approvals from regulatory authorities. Pending such approvals, no effect of the above mentioned scheme has been given in financial result for the quarter ended 30th June, 2022.

Our opinion is not modified in respect of this matter.

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of Unaudited financial results prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which, it is to be disclosed, or that it contains any material misstatement.

For CNK & Associates LLP

Chartered Accountants

Firm Registration No. 101961W/W-100036



Pareen Shah

Partner

Membership No. 125011

Place: Vadodara

Date: 09th August, 2022

UDIN: 22125011A0QKWF2765



INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

The Board of Directors
Refnol Resins and Chemicals Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Refnol Resins and Chemicals Limited** (the "Company") for the quarter ended June 30, 2022 (the "Statement"). This statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (the "Listing regulation, 2015") read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, which has been initialled by us for identification purpose.
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an Audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable Indian Accounting Standards under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B.R.Shah & Associates**
Firm Registration No. 129053W
Chartered Accountants

D. R. Desai

Deval Desai
Partner
Membership No. 132426



Ahmedabad
Date: August 9, 2022
UDIN: *22132426AOPXOC9085*

REFNOL RESINS AND CHEMICALS LTD.

Regd. Office : 410/411, Khatau House, Mogul Lane, Mahim (W), Mumbai - 400 016.
CIN: L24200MH1980PLC023507, Email: contact@refnol.com, Website: www.refnol.com
Tel: 079-40209200-09

Statement of Standalone Unaudited Financial Results for the Quarter ended June 30, 2022

(Rs. in Lakhs)

Sr. No.	Particular's	Quarter Ended			Year Ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		Unaudited	Audited (Refer Note No.4)	Unaudited	Audited
1	Revenue from operations	1034.63	1112.18	650.35	3481.02
2	Other Income	0.27	0.59	0.24	3.61
3	Total Income	1034.90	1112.77	650.59	3484.63
4	Expenses				
	(a) Cost of materials consumed	674.37	874.39	472.68	2692.06
	(b) Change in inventories of finished goods and work-in-progress	52.09	(68.77)	(21.45)	(120.64)
	(c) Employees benefit expenses	83.07	67.62	70.43	288.77
	(d) Finance Costs	19.46	16.05	22.58	81.29
	(e) Depreciation & amortisation expenses	13.22	12.10	11.20	48.13
	(f) Other expenses	185.06	167.61	106.04	507.87
	Total Expenses	1027.26	1069.00	661.48	3497.48
5	Net Profit/(Loss) before Tax (3 - 4)	7.65	43.77	(10.89)	(12.85)
6	Tax Expenses (Adjustment of earlier years)	0.00	4.21	0.00	4.21
7	Net Profit/(Loss) for the period (5-6)	7.65	39.56	(10.89)	(17.06)
8	Other Comprehensive Income (OCI)				
	(a) Items that will not be classified to profit and loss				
	- Gain/(Loss) on obligation for the period	0.00	0.02	0.00	0.02
	(b) Items that will be classified to profit and loss				
	- Exchange differences on translation of foreign operations	0.00	0.00	0.00	-
9	Total Other Comprehensive Income (8a+8b)	0.00	0.02	0.00	0.02
10	Total Comprehensive Income for the period (7+9)	7.65	39.58	(10.89)	(17.04)
11	Paid up Equity Share Capital (Face Value of Rs.10/- each)	308.99	308.99	308.99	308.99
12	Other Equity				944.64
13	Earning Per Share (of Rs. 10/- each) (not annualised, excluding year end)				
	a) Basic	0.25	1.28	(0.35)	(0.55)
	b) Diluted	0.25	1.28	(0.35)	(0.55)

Notes :

- The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meeting held on 9th August, 2022.
- These results has been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standard) Rules 2015 as amended from time to time.
- The management information system of the company identifies and monitor "Chemicals" as the business segment. Since the Company's business falls within a single business segment, disclosure under Indian Accounting Standard (Ind AS) -108 Operating Segments is not applicable.
- The figures for the quarter ended 31/03/2022 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto nine months of the previous year which were subject to limited review.
- The Board of Directors of the Company at its meeting held on January 15, 2022 has inter-alia considered and approved the Revised Scheme of Amalgamation of *Refnol Resins & Chemicals Limited* ("the Company" or "Transferor Company") with *Indokem Limited* ("Transferee Company"), which includes:
 - Transfer and vesting of entire undertakings and business of Transferor Company
 - Allotment of equity Shares of Transferee Company to the shareholders of Transferor Company as per provisions of Section 230 to 232 and other relevant provisions of The Companies Act, 2013.
 The appointed date for the scheme is April 1, 2021, or such other date as may be fixed or approved by the National Company Law Tribunal. Pending approval from various authorities, no accounting effect has been given to the above scheme for the quarter ended June 30, 2022.
- The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the Company towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India. However, the effective date has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any, in the period the Code becomes effective.
- Figures have been regrouped / rearranged / reclassified wherever necessary.

Place : Ahmedabad
Date : 9th August, 2022



By order of the Board,
For, REFNOL RESINS AND CHEMICALS LTD

Arup Basu
Managing Director
DIN: 00906760

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL RESULTS

To The Board of Directors of
Refnol Resins and Chemicals Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Refnol Resins and Chemicals Limited (the "Parent") and its subsidiaries (the parent and its subsidiaries together referred to as "the Group"), for the quarter ended June 30, 2022 (the "Statement"). This statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (the "Listing regulation, 2015") read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, which has been initialled by us for identification purpose.
2. This Statement is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an Audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - Refnol Resins and Chemicals Limited (Holding Company)
 - Refnol Overseas Limited (Subsidiary Company)
 - Tex Care Middle East LLC (Step-down subsidiary Company)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable Indian Accounting Standards under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial results of 1 subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs 728.59 lakhs, total net profit / (loss) after tax of Rs. (43.98) lakh and total comprehensive income / loss of Rs. (43.98) lakh for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.



7. The consolidated unaudited financial results includes the interim financial information of 1 subsidiaries which has not been reviewed by its auditor, whose interim financial information reflect total revenue of Rs. 3.10 lakh, total net profit/(loss) after tax of Rs. 1.76 lakh and total comprehensive income / loss of Rs. 1.76 lakh for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results, based on their interim financial information which have not been reviewed by its auditor. According to the information and explanations given to us by the Management, this interim financial information is not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by management.

For **B.R.Shah & Associates**
Firm Registration No. 129053W
Chartered Accountants

D. R. Desai

Deval Desai
Partner
Membership No. 132426



Ahmedabad
Date: August 9, 2022
UDIN: 22132426AOPXWP4439

REFNOL RESINS AND CHEMICALS LTD.

Regd. Office : 410/411, Khatau House, Mogul Lane, Mahim (W), Mumbai - 400 016.
CIN: L24200MH1980PLC023507, Email: contact@refnol.com, Website: www.refnol.com
Tel: 079-40209200-09

Statement of Consolidated Unaudited Financial Results for the Quarter ended June 30, 2022

(Rs. in Lakhs)

Sr. No.	Particular's	Quarter Ended			Year Ended
		June 30, 2022	March 31, 2022	June 30, 2021	March 31, 2022
		Unaudited	Audited (Refer Note 4)	Unaudited	Audited
1	Revenue from operations	1660.21	1470.97	1036.79	5041.75
2	Other Income	0.27	0.60	0.24	7.28
3	Total Income	1660.48	1471.57	1037.03	5049.03
4	Expenses				
	(a) Cost of materials consumed	1069.28	1083.36	685.07	3531.97
	(b) Change in inventories of finished goods and work-in-progress	42.30	(84.69)	(32.62)	(147.20)
	(c) Employees benefit expenses	150.28	137.08	132.95	559.68
	(d) Finance Costs	21.79	17.69	24.36	86.99
	(e) Depreciation & amortisation expenses	14.96	14.53	16.55	59.71
	(f) Other expenses	392.14	282.14	229.86	993.38
	Total Expenses	1690.74	1450.11	1056.16	5084.53
5	Net Profit/(Loss) before Tax (3 - 4)	(30.25)	21.46	(19.13)	(35.50)
6	Tax Expenses (adjustment of earlier year)	0.00	4.21	0.00	4.21
7	Net Profit/(Loss) for the period (5-6)	(30.25)	17.25	(19.13)	(39.71)
8	Other Comprehensive Income (OCI)				
	(a) Items that will not be classified to profit and loss				
	- Gain/(Loss) on obligation for the period	0.00	0.02	0.00	0.02
	(b) Items that will be classified to profit and loss				
	- Exchange differences on translation of foreign operations	0.00	0.54	0.00	0.90
9	Total Other Comprehensive Income (8a+8b)	0.00	0.56	0.00	0.92
10	Total Comprehensive Income for the period (7+9)	(30.25)	17.81	(19.13)	(38.79)
11	Paid up Equity Share Capital (Face Value of Rs.10/- each)	308.99	308.99	308.99	308.99
12	Other Equity				1681.52
13	Earning Per Share (of Rs. 10/- each) (not annualised, excluding year end)				
	a] Basic	(0.98)	0.56	(0.62)	(1.29)
	b] Diluted	(0.98)	0.56	(0.62)	(1.29)

Notes :

- The above results have been reviewed by the Audit committee and approved by the Board of Directors at their meeting held on 9th August, 2022.
- These results has been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standard) Rules 2015 as amended from time to time.
- The management information system of the company identifies and monitor "Chemicals" as the business segment. Since the Company's business falls within a single business segment, disclosure under Indian Accounting Standard (Ind AS) -108 Operating Segments is not applicable.
- The figures for the quarter ended 31/03/2022 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto nine months of the previous year which were subject to limited review.
- The Board of Directors of the Company at its meeting held on January 15, 2022 has inter-alia considered and approved the Revised Scheme of Amalgamation of **Refnol Resins & Chemicals Limited** ("the Company" or "Transferor Company") with **Indokem Limited** ("Transferee Company"), which includes:
 - Transfer and vesting of entire undertakings and business of Transferor Company
 - Allotment of equity Shares of Transferee Company to the shareholders of Transferor Company as per provisions of Section 230 to 232 and other relevant provisions of The Companies Act, 2013.
 The appointed date for the scheme is April 1, 2021, or such other date as may be fixed or approved by the National Company Law Tribunal. Pending approval from various authorities, no accounting effect has been given to the above scheme for the quarter ended June 30, 2022.
- The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the Company towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India. However, the effective date has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any, in the period the Code becomes effective.
- Figures have been regrouped / rearranged / reclassified wherever necessary.

By order of the Board
For, REFNOL RESINS AND CHEMICALS LTD

Arup Basu
Managing Director
DIN: 00906760

Place : Ahmedabad
Date : 9th August, 2022



Indokem Limited

(CIN NO.: L31300MH1964PLC013088)

Registered Office :
"KHATAU HOUSE", Ground Floor,
Mogul Lane, Mahim (West),
Mumbai - 400 016.

Phone : 61236767
Fax : 61236718
Website : www.indokem.co.in

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF INDOKEM LIMITED ON 15TH JANUARY 2022 PURSUANT TO SECTION 232(2) OF THE COMPANIES ACT, 2013

The Scheme of Amalgamation of Refnol Resins and Chemicals Limited ("Transferor Company" or "Refnol") with Indokem Limited ("the Company" or "Transferee Company" or "Indokem") and their respective shareholders ("the Scheme"), is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Act") and was approved and deliberated by the Board at its captioned meeting.

While deliberating on the Scheme, the Board had, *inter alia*, considered and taken on record:

- (a) Draft of the proposed Scheme;
- (b) Memorandum of Association and Articles of Association of the Companies involved in Scheme;
- (c) That the Scheme does not affect rights and interest of the Promoters and Non-Promoter Shareholders and key managerial personnel of the Company prejudicially;
- (d) Upon the effectiveness of the Scheme, based on the Valuation Report issued by Niranjana Kumar, Registered Valuer – Securities or Financial Assets, the consideration would be issued to the shareholders of Refnol as under and more particularly and in the manner as stipulated in Clause [12] of the Scheme:
"1,153 (One Thousand One Hundred and Fifty-Three) Equity share in Transferee Company of the face value of Rs. 10/- (Rupees Ten only) each, credited as fully paid-up for every 1,000 (One Thousand) Equity shares of Rs. 10/- (Rupees Ten only) fully paid-up held in Transferor Company.";
 and
- (e) That no special valuation difficulties were faced in determining the share exchange ratio.

**For & On Behalf Of
Indokem Limited**



Signature with Stamp

Name: Mahendra K. Khatau

Designation: Chairman and Managing Director

DIN: 00062794

Date: 15/01/2022

Place: Mumbai



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF REFNOL RESINS AND CHEMICALS LIMITED ON 15TH JANUARY 2022 PURSUANT TO SECTION 232(2) OF THE COMPANIES ACT, 2013

The Scheme of Amalgamation of Refnol Resins and Chemicals Limited (“the Company” or “Transferor Company” or “Refnol”) with Indokem Limited (“Transferee Company” or “Indokem”) and their respective shareholders (“the Scheme”), is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“the Act”) and was approved and deliberated by the Board at its captioned meeting.

While deliberating on the Scheme, the Board had, *inter alia*, considered and taken on record:

- (a) Draft of the proposed Scheme;
- (b) Memorandum of Association and Articles of Association of the Companies involved in Scheme;
- (c) That the Scheme does not affect rights and interest of the Promoters and Non-Promoter Shareholders and key managerial personnel of the Company prejudicially;
- (d) Upon the effectiveness of the Scheme, based on the Valuation Report issued by Niranjana Kumar, Registered Valuer – Securities or Financial Assets, the consideration would be issued to the shareholders of Refnol as under and more particularly and in the manner as stipulated in Clause [12] of the Scheme:
“1,153 (One Thousand One Hundred and Fifty-Three) Equity share in Transferee Company of the face value of Rs. 10/- (Rupees Ten only) each, credited as fully paid-up for every 1,000 (One Thousand) Equity shares of Rs. 10/- (Rupees Ten only) fully paid-up held in Transferor Company.”;
and
- (e) That no special valuation difficulties were faced in determining the share exchange ratio.

**For & On Behalf Of
Refnol Resins and Chemicals Limited**



**Signature with Stamp
Name: Mahendra K. Khatau
Designation: Chairman
DIN: 00062794
Date: 15/01/2022
Place: Mumbai**

Details of ongoing adjudication and recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against Indokem Limited, its promoters and directors:

Against Indokem Limited:

1. There are various distinct matters relating to demands and reduction in refund(s), which are pending before various statutory or judicial authorities in respect of Income Tax for various Assessment Years involving aggregate amount of Rs. 14 lakhs, net of provisions in books of accounts.
2. A commercial suit relating to supply of goods is filed by an erstwhile supplier of the Company – Futuristic Offshore Services and Chemicals Ltd. (erstwhile Ganesh Anhydride Ltd.); in which name of Plaintiff is replaced as Liquidator appointed by the National Company Law Tribunal, Mumbai. The amount involved is Rs. 74.33 lakhs.
3. There are various distinct matters relating to demands relating to Provident Fund and ESIC and the same are pending before various statutory or judicial authorities. The aggregate amount involved is Rs.84 lakhs, net of provisions in books of accounts.
4. A civil suit for permanent injunction is filed and pending before Hon. Tis Hazari Court, Delhi by Mr. Mohd. Javed, erstwhile licensee of the Company's Office Premise situated at Delhi.

Against Director and Promoters:

1. There are various distinct matters relating to family disputes relating to ancestral properties which are pending before various statutory or judicial authorities in which Promoter Director and Promoters are parties.
2. There are various distinct matters, which are pending before various statutory or judicial authorities in respect of various statutory dues relating to various entities in which promoters and directors of Transferor and Transferee Companies are directors and/or promoters.