



## GUJARAT PETROSYNTHESE LIMITED

Reg. Off: No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



Date: 30<sup>th</sup> June, 2020

To,  
**Bombay Stock Exchange Limited,**  
1<sup>st</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400001

**Scrip Code: 506858**

**Subject: Outcome of Board meeting of the Company held today i.e. 30<sup>th</sup> June, 2020.**

Dear Sir/Madam,

Pursuant to Regulation 30 and 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular (Ref No. CIR/ CFD / FAC/ 62/2016 dated 5th July 2016) issued by SEBI, we hereby inform you that the Board of Directors of Gujarat Petrosynthese Limited (**'the Company'**), at its meeting held today i.e. **30<sup>th</sup> June, 2020** through Video Conferencing at 1A, Ground Floor, Arcadia Building, N.C.P.A Marg, Nariman Point, Mumbai – 400021, has, inter alia, considered and approved the following:

- a. The statement showing the Audited Standalone and Consolidated Financial Results for the quarter and financial year ended 31<sup>st</sup> March, 2020 along with the Auditor's Report.
- b. Draft scheme of merger by absorption of wholly owned subsidiary M/s. Gujarat Polybutenes Private Limited (**"Transferor Company"**) with the Company (**"Transferee Company"**) and their respective shareholders under Sections 230-232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any modification(s) or re-enactment thereof for the time being in force) as per the terms and conditions mentioned in the Scheme of Merger by Absorption ('Scheme') as placed before the Board.

The Merger is subject to the necessary approvals / sanctions, from the jurisdictional National Company Law Tribunal(s) or such other competent authority and the Shareholders and or Creditors of the Transferor Company and the Transferee Company, if applicable.

Accordingly, we have enclosed the following statements:

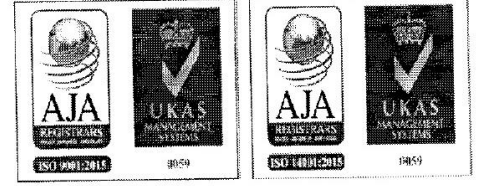
- a. Annual Audited Standalone financial results for the Financial Year ended on 31<sup>st</sup> March 2020;
- b. Annual Audited Consolidated financial results for the Financial Year ended on 31<sup>st</sup> March 2020;

**Office:** 1A, Ground Floor, Arcadia Building, NCPA Marg, Nariman Point, Mumbai – 400021  
Phone: 022-22049309/22, E-mail: [secretarial@gujaratpetrosynthese.com](mailto:secretarial@gujaratpetrosynthese.com)



## GUJARAT PETROSYNTHESE LIMITED

**Reg. Off:** No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
**Ph:** 91 – 80 - 28524133 **Fax:** 91– 80 - 28524171  
**E-mail :** [info@gpl.in](mailto:info@gpl.in), **Website:** [www.gpl.in](http://www.gpl.in)  
**CIN No.** L23209KA1977PLC043357



- c. Auditors' Report dated 30<sup>th</sup> June, 2020 submitted by the Company's Statutory Auditors in respect of the Standalone and Consolidated audited financial results;
- d. Declaration of the Chief Financial Officer regarding unmodified opinion on Standalone and Consolidated financial results;
- e. Disclosure of Information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/ZOLS dated 9th September, 2015;
- f. Certified True Copy of the Board Resolution passed for Approval of the draft scheme of Merger by Absorption of Gujarat Polybutenes Private Limited (Transferor Company) with Gujarat Petrosynthese Limited (Transferee Company) and their respective shareholders;
- g. Report of Board of Directors on such proposed scheme of merger; and
- h. Scheme of merger by absorption of wholly owned subsidiary M/s. Gujarat Polybutenes Private Limited (Transferor Company) with the Company [Transferee Company"] and their respective shareholders.

The meeting of the Board of Directors commenced at 02.30 p.m. (IST) and concluded at 04.10 p.m. (IST).

Please take the same on records.

Thanking you,

For **Gujarat Petrosynthese Limited**

**Ms. Umi N. Prasad**

**Joint Managing Director**

**DIN:** 00319482

**Address:** 8-2-417/301, Mount Kailash, Road No. 4, Banjara Hills, Hyderabad-500034

Encl: As mentioned above

**GUJARAT PETROSYNTHSE LTD**  
**NO. 24, II MAIN PHASE I DODDANEKUNDI INDUSTRIAL ESTATE**  
**MAHADEVAPURA POST**  
**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS**  
**FOR THE QUARTER AND YEAR ENDED 31.03.2020**

(Amt in '000)

	PARTICULARS	STANDALONE				
		QUARTER ENDED			Year to Date	
		31.03.2020 (AUDITED)	31.12.2019 (UNAUDITED)	31.03.19 (AUDITED)	31.03.2020 (AUDITED)	31.03.2019 (AUDITED)
1	<b>INCOME FROM OPERATIONS</b>					
	REVENUE FROM SALE OF GOODS AND SERVICES	44,476	52,296	55,399	202,054	220,676
	OTHER INCOME	1,255	1,233	472	4,451	2,968
	<b>TOTAL INCOME</b>	<b>45,731</b>	<b>53,529</b>	<b>55,871</b>	<b>206,505</b>	<b>223,644</b>
2	<b>EXPENSES</b>					
	a) COST OF MATERIALS CONSUMED	37,650	39,893	44,352	165,271	180,436
	b) PURCHASE OF STOCK IN TRADE	-	-	-	-	-
	c) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS, STOCK IN TRADE	(2,184)	898	(213)	(1,938)	601
	d) EMPLOYEE BENEFITS EXPENSES	8,509	6,043	8,054	26,919	28,347
	e) DEPRECIATION / AMORTISATION EXPENSES	633	742	585	2,512	2,336
	f) FINANCE COST	7	6	93	7	229
	f) OTHER EXPENSES	5,815	5,480	6,637	22,349	25,701
	<b>TOTAL EXPENSES</b>	<b>50,430</b>	<b>53,062</b>	<b>59,508</b>	<b>215,120</b>	<b>237,650</b>
	<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)</b>	<b>(4,699)</b>	<b>467</b>	<b>(3,636)</b>	<b>(8,615)</b>	<b>(14,006)</b>
3	EXCEPTIONAL ITEMS	23,186	-	-	23,186	-
4	PROFIT BEFORE TAX	<b>18,487</b>	<b>467</b>	<b>-3,636</b>	<b>14,571</b>	<b>(14,006)</b>
5	TAX EXPENSE:					
6	(1) CURRENT TAX	-	-	3,082	-	321
7	(2) DEFERRED TAX	(340)	-	(3,386)	(340)	(3,389)
8	PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	<b>18,827</b>	<b>467</b>	<b>(3,332)</b>	<b>14,912</b>	<b>(10,937)</b>
9	TOTAL COMPREHENSIVE INCOME AFTER TAX (X + XIII)	<b>18,827</b>	<b>467</b>	<b>(3,332)</b>	<b>14,912</b>	<b>(10,937)</b>
10	PAID UP EQUITY SHARE CAPITAL	597	597	597	597	597
	EARNINGS PER EQUITY SHARE:					
	(1) BASIC	3.15	0.08	-0.56	2.50	(1.83)
	(2) DILUTED	3.15	0.08	-0.56	2.50	(1.83)

**NOTES**

a. The above is an extract of the detailed format of Financial Results for the quarter and year ended 31.03.2020 which were reviewed by The Audit Committee at its meeting held on 30th June, 2020 and approved at the meeting of the Board of Directors and filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Financial Results is available on the website of BSE at [www.bseindia.com](http://www.bseindia.com) and on Company's website at [www.gpl.in](http://www.gpl.in)

b. Revenue from sales is lower as due to covid-19 lockdown our company was shut since 24th March 2020. We could not execute our orders fully and we were left with unsold finished stocks

c. The Company operates in one segment only.

FOR GUJARAT PETROSYNTHSE LIMITED

*Urmi N. Prasad*

URMI N. PRASAD

JT. MANAGING DIRECTOR (DIN : 00319482)

PLACE : MUMBAI  
DATE : 30-06-2020

STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31st MARCH 2020

Particulars		STANDALONE	
		As at 31st March, 2020	As at 31st March, 2019
		INR ('000)	INR ('000)
<b>A</b>	<b>ASSETS</b>		
<b>I</b>	<b>Non-Current Assets</b>		
	Property, plant and equipment	21,435	21,335
	<u>Financial Assets:</u>		
	Investments	96,418	103,086
	Loans	1,525	3,013
	Other financial assets	-	1,523
	Assets Held for Sale	16,700	16,700
	<b>Total Non-Current Assets</b>	<b>136,078</b>	<b>145,657</b>
<b>II</b>	<b>Current Assets</b>		
	Inventories	8,481	5,137
	<u>Financial Assets:</u>		
	Loans	10	126
	Trade receivables	18,009	22,902
	Cash and cash equivalents	60,299	13,523
	Other financial assets	5,577	34,742
	Other current assets	1,691	440
	<b>Total Current Assets</b>	<b>94,067</b>	<b>76,870</b>
	<b>TOTAL ASSETS</b>	<b>230,145</b>	<b>222,527</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>I</b>	<b>Equity</b>		
	Equity share capital	59,692	59,692
	Other equity	161,170	146,259
	<b>Total Equity</b>	<b>220,862</b>	<b>205,951</b>
<b>II</b>	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
	Deferred tax Liability (Net)	-4,426	-4,085
	<b>Total Non-Current Liabilities</b>	<b>-4,426</b>	<b>-4,085</b>
<b>III</b>	<b>Current Liabilities</b>		
	<u>Financial Liabilities :</u>		
	Borrowings	-	5
	Trade payables	10,379	15,994
	Other financial liabilities	2,690	3,777
	Short term Provision	301	-
	Other current liabilities	339	885
	<b>Total Current Liabilities</b>	<b>13,709</b>	<b>20,661</b>
	<b>Total Liabilities</b>	<b>9,283</b>	<b>16,576</b>
			-
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>230,145</b>	<b>222,527</b>



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	INR ('000)		INR ('000)	
	Rupees	Rupees	Rupees	Rupees
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Profit/(Loss) before tax		14,571		(14,005)
<b>Adjustments for :</b>				
<b>Add:</b>				
Depreciation	2,512		2,336	
MAT Written off	1,054		-	
Interest Expense	7	3,573	229	2,565
<b>Less:</b>				
Profit/Loss on sale of Investment	(24,112)		-	
Profit/Loss on sale of Assets	(2)		(75)	
Fair Value masurement of Investment	(46)		(136)	
Interest Income	(4,251)	(28,410)	(846)	(1,057)
<b>Operating profit before working capital changes</b>		(10,266)		(12,499)
<b>Adjustments for :</b>				
Increase /(Decrease) of Other Financial Liabilities	(1,087)		670	
Increase /(Decrease) of Current Liabilities	(245)		324	
Decrease / (Increase) of Financial Assets	31,235		15,236	
Decrease / (Increase) of Non-Financial Assets	(1,251)		(9)	
Decrease / (Increase) of Trade Receivables	4,893		(6,698)	
Decrease / (Increase) of Trade Payables	(5,615)		3,922	
Decrease / (Increase) of Inventories	(3,344)		538	
		24,585		13,983
<b>Cash Generated from Operations</b>		14,320		1,484
Income Tax Paid (Net of refund received)		-		-
<b>Net cash from Operating Activities</b>		<b>14,320</b>		<b>1,484</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchases of fixed assets	(2,613)		(2,670)	
Sale of Fixed Asset	5		-	
Redemption of Preference shares of Gujarat Polybutenes Private Limite	28,000		-	
Redemption of REC Bonds	4,700		-	
Sale of Investment of Subsidiary	34,140		10,500	
Sale of Mutual Funds	11,986		-	
Purchase of Mutual Fund	(48,000)		-	
Investment in Fixed deposits	-		(12,300)	
Interest Income	4,251	32,469	846	(3,624)
<b>Net cash used in Investing activities</b>		<b>32,469</b>		<b>(3,624)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Short Term Borrowings		(5)		(6,358)
Interest Paid on borrowings		(7)		(229)
<b>Net cash from Financing Activities</b>		<b>(12)</b>		<b>(6,587)</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		46,776		(8,727)
CASH & CASH EQUIVALENTS AS AT 01.04.2019 (Opening Balance)		13,523		22,250
<b>CASH &amp; CASH EQUIVALENTS AS AT 31.03.2020 (CLOSING)</b>		<b>60,299</b>		<b>13,523</b>



GUJARAT PETROSYNTEHSE LTD  
NO. 24, II MAIN PHASE I DODDANEKKUNDI INDUSTRIAL ESTATE  
MAHADEVAPURA POST  
STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS  
FOR THE QUARTER AND YEAR ENDED 31.03.2020

		INR ('000)				
	PARTICULARS	CONSOLIDATED				
		QUARTER ENDED			Year to Date	
		31.03.2020 (AUDITED)	31.12.2019 (UNAUDITED)	31.03.2019 (AUDITED)	31.03.2020 (AUDITED)	31.03.2019 (AUDITED)
1	<b>INCOME FROM OPERATIONS</b>					
	REVENUE FROM SALE OF GOODS AND SERVICES	44,476	52,643	55,190	202,793	223,270
	OTHER INCOME	2,982	3,283	2,199	12,552	5,039
	<b>TOTAL INCOME</b>	<b>47,458</b>	<b>55,926</b>	<b>57,389</b>	<b>215,345</b>	<b>228,309</b>
2	<b>EXPENSES</b>					
	a) COST OF MATERIALS CONSUMED	37,650	39,893	44,397	165,271	180,481
	b) CHANGES IN INVENTORIES OF FINISHED GOODS ,WORK IN PROGRESS, STOCK IN TRADE	(2,184)	1,594	2,473	(943)	3,287
	c) EMPLOYEE BENEFITS EXPENSES	8,545	6,081	8,066	27,126	28,386
	d) DEPRECIATION / AMORTISATION EXPENSES	633	742	585	2,512	2,336
	e) FINANCE COST	1	6	54	7	1,162
	f) OTHER EXPENSES	6,283	5,623	9,073	23,667	32,348
	<b>TOTAL EXPENSES</b>	<b>50,927</b>	<b>53,940</b>	<b>64,648</b>	<b>217,640</b>	<b>248,000</b>
	<b>PROFIT BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX (III - IV)</b>	<b>(3,469)</b>	<b>1,987</b>	<b>(7,260)</b>	<b>(2,294)</b>	<b>(19,692)</b>
3	EXCEPTIONAL ITEMS	23,168	-	332,521	23,168	332,521
4	PROFIT BEFORE TAX	<b>19,699</b>	<b>1,987</b>	<b>325,262</b>	<b>20,873</b>	<b>312,830</b>
5	TAX EXPENSE:					
6	(1) CURRENT TAX	38	-	70,859	998	70,859
	(2) MAT Credit available to utilise pertaining to previous year	(11)	-	(11)	(11)	(11)
	(2) DEFERRED TAX	(341)	-	(628)	(341)	(3,389)
	(3) EARLIER YEAR TAXES	(82)	82	-	-	-
7	PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	<b>20,094</b>	<b>1,905</b>	<b>255,043</b>	<b>20,227</b>	<b>245,372</b>
8	OTHER COMPREHENSIVE INCOME					
	1. Re-measurement gains / (losses) on defined benefit plans	517	1,998	(92)	5,600	808
9	TAX EFFECT OF OTHER COMPREHENSIVE INCOME	-	-	-	-	-
10	OTHER COMPREHENSIVE INCOME AFTER TAX (XI + XII)	517	1,998	(92)	5,600	808
11	TOTAL COMPREHENSIVE INCOME AFTER TAX (X + XIII)	<b>20,611</b>	<b>3,903</b>	<b>254,951</b>	<b>25,827</b>	<b>246,180</b>
12	PAID UP EQUITY SHARE CAPITAL	597	597	597	597	597
13	EARNINGS PER EQUITY SHARE:					
	(1) BASIC	3.45	0.65	42.71	4.33	41.24
	(2) DILUTED	3.45	0.65	42.71	4.33	41.24

**NOTES**

a. The above is an extract of the detailed format of Financial Results for the quarter and year ended 31.03.2020 which were reviewed by the Audit Committee at its meeting held on 30th June,2020 and approved at the meeting of the Board of Directors and filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Financial Results is available on the website of BSE at [www.bseindia.com](http://www.bseindia.com) and on Company's website at [www.gpl.in](http://www.gpl.in)

b. Revenue from sales is lower as due to covid-19 lockdown our company was shut since 24th March 2020. We could not execute our orders fully and we were left with unsold finished stocks

c. The Company operates in one segment only.

FOR GUJARAT PETROSYNTEHSE LIMITED

*Urmi N. Prasad*

URMI N. PRASAD

JT. MANAGING DIRECTOR (DIN : 00319482)

PLACE : MUMBAI

DATE : 30th June 2020

**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31st MARCH 2020**

Particulars		CONSOLIDATED	
		As at 31st March, 2020	As at 31st March, 2019
		INR ('000)	INR ('000)
<b>A</b>	<b>ASSETS</b>		
<b>I</b>	<b>Non-Current Assets</b>		
	Property, plant and equipment	21,701	21,601
	<u>Financial Assets:</u>		
	Investments	164,938	31,265
	Loans	3,768	5,324
	Other financial assets	-	1,523
	Assets Held for Sale	16,700	16,700
	<b>Total Non-Current Assets</b>	<b>207,107</b>	<b>76,413</b>
<b>II</b>	<b>Current Assets</b>		
	Inventories	8,481	6,132
	<u>Financial Assets:</u>		
	Loans	10	126
	Trade receivables	18,009	22,902
	Cash and cash equivalents	61,036	18,237
	Other financial assets	96,862	336,601
	Other current assets	1,691	446
	<b>Total Current Assets</b>	<b>186,089</b>	<b>384,444</b>
	<b>TOTAL ASSETS</b>	<b>393,196</b>	<b>460,857</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>I</b>	<b>Equity</b>		
	Equity share capital	59,692	59,692
	Other equity	324,276	318,564
	<b>Total Equity</b>	<b>383,968</b>	<b>378,256</b>
<b>II</b>	<b>Liabilities</b>		
	<b>Non-Current Liabilities</b>		
	Deferred tax Liability (Net)	-4,426	-4,085
	<b>Total Non-Current Liabilities</b>	<b>-4,426</b>	<b>-4,085</b>
<b>III</b>	<b>Current Liabilities</b>		
	<u>Financial Liabilities :</u>		
	Borrowings	-	5
	Trade payables	10,556	17,574
	Other financial liabilities	2,690	3,778
	Short term provisions	328	28
	Other current liabilities	80	65,301
	<b>Total Current Liabilities</b>	<b>13,654</b>	<b>86,686</b>
	<b>Total Liabilities</b>	<b>9,229</b>	<b>82,601</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>393,196</b>	<b>460,857</b>



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	INR ('000)		INR ('000)	
	Rupees	Rupees	Rupees	Rupees
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Profit/(Loss) before tax		20,874		312,830
<b>Adjustments for :</b>				
<b>Add:</b>				
Depreciation	2,512		2,336	
Mat Written off	1,054		-	
Interest Expense	7	3,573	1,161	3,497
<b>Less:</b>				
Profit/Loss on sale of Investment	-24,113		-335,151	
Profit/Loss on sale of Assets	-100		-139	
Fair Value masurement of Investment	-46		-136	
Dividend Income	-13		-164	
Interest Income	-12,207	-36,479	-2,097	-337,687
<b>Operating profit before working capital changes</b>		<b>-12,032</b>		<b>-21,360</b>
<b>Adjustments for :</b>				
Increase /(Decrease) of Financial Liabilities	-1,093		-1,647	
Increase /(Decrease) of Non Current Liabilities	-		7	
Decrease / (Increase) of Other Financial Assets (Non Current)	3,079		-1,523	
Decrease / (Increase) of Other Financial Assets (Current)	236,891		-317,348	
Decrease / (Increase) of Other Current Assets	-1,245		256	
Decrease / (Increase) of Other Current Liabilities	-64,921		64,639	
Decrease / (Increase) of Trade Receivables	4,893		-6,698	
Decrease / (Increase) of Trade Payables	-7,018		4,794	
Decrease / (Increase) of Inventories	-2,349		3,270	
<i>Less : Derecognition working Capital adjustment of former subsidiary</i>	-4,990	<b>163,248</b>	-	<b>-254,250</b>
<b>Cash Generated from Operations</b>		<b>151,216</b>		<b>-275,611</b>
Income Tax Paid (Net of refund received)		-1,511		-68,860
<b>Net cash from Operating Activities</b>		<b>149,704</b>		<b>(344,471)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchases of fixed assets	-2,613		-2,670	
Sale of Fixed Asset	103		360,018	
Redemption of REC Bonds	4,700		-	
Sale of Investment of Subsidiary	34,140		-	
Sale of Mutual Funds	12,486		-	
Purchase of Mutual Fund	-166,850		15,000	
Purchase of Investment	-		-14,800	
Dividend Income	-		164	
Interest Income	12,130	-105,904	2,097	359,809
<b>Net cash used in Investing activities</b>		<b>(105,904)</b>		<b>359,809</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Short term Borrowings		-5		-20,786
Interest Paid on Borrowings		-7		-1,161
<b>Net cash from Financing Activities</b>		<b>(12)</b>		<b>(21,947)</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>43,788</b>		<b>-6,609</b>
CASH & CASH EQUIVALENTS AS AT 01.04.2019 (Opening Balance)		18,238		24,847
<i>Less : Derecognition Cash &amp; Cash Equivalents of former subsidiary</i>		-990		-
<b>CASH &amp; CASH EQUIVALENTS AS AT 31.03.2020 (CLOSING)</b>		<b>61,036</b>		<b>18,238</b>





**Independent Auditor's Report on audit of Quarterly Financial Results and Year to date Standalone Financial Results of Gujarat Petrosynthese Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.**

To,  
The Board of Directors,  
**Gujarat Petrosynthese Limited**  
Mumbai.

## **Report on audit of Standalone Financial Results**

### **Opinion**

We have audited the Financial Results for the year ended March 31, 2020 and reviewed the Financial Results for the quarter ended March 31, 2020, which were subject to limited review by us, both included in the accompanying "Statement of Financial Results for the Quarter and Year Ended March 31, 2020" of **Gujarat Petrosynthese Limited** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the year ended March 31, 2020:

- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the Net Profit and Total Comprehensive Income and other financial information of the Company for the year ended March 31, 2020.

### **Conclusion on Unaudited Financial Results for the quarter ended March 31, 2020**

With respect to the Financial Results for the quarter ended March 31, 2020, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and

we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

### **Management's Responsibilities for the Statement**

This Statement, which includes the Standalone annual Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the year ended March 31, 2020, has been compiled from the related audited interim financial information. This responsibility includes the preparation and presentation of the Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the net profit and total comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of Standalone Financial Results**

#### **(a) Audit of the Standalone Financial Results for the year ended March 31, 2020**

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2020 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results / Financial Information of the, entities within the Company to express an opinion on the Annual Standalone Financial Results.

Materiality is the magnitude of misstatements in the Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Financial Results may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Financial Results.

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**(b) Review of the Standalone Financial Results for the Quarter ended March 31, 2020**

We conducted our review of the Annual Financial Results for the quarter ended March 31, 2020 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 SA specified under section 143(10) of the Act 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.

## Other Matters

The Statement includes the results for the quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year ended March 31, 2020 and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us, as required under the Listing Regulations..

**For Dayal and Lohia**  
Chartered Accountants  
Firm Reg. No. 102200W

(Anil Lohia)  
Partner  
Membership No: 031626

Mumbai, 30th June, 2020.

**dayal and lohia**  
chartered accountants

**Independent Auditor's Report on audit of Quarterly Financial Results and Year to date Consolidated Financial Results of Gujarat Petrosynthese Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.**

To  
The Board of Directors of  
Gujarat Petrosynthese Limited

**Report on audit of Consolidated Financial Results**

**Opinion and Conclusion**

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2020 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2020, which were subject to limited review, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended March 31, 2020" (the Statement) of **Gujarat Petrosynthese Limited** ("the Company") and its subsidiary Gujrat Polybutenes Private Limited, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

**(a) Opinion on Annual Consolidated Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the other auditors on separate financial information referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2020:

- (i) includes the results of the subsidiary Gujrat Polybutenes Private Limited.
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive loss and other financial information of the Company and its Subsidiary for the year ended March 31, 2020.

**(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2020**

With respect to the Consolidated Financial Results for the quarter ended March 31, 2020, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the audit reports for the year ended March 31, 2020 of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company, subsidiary in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2020 under the provisions of the

Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

### **Management's Responsibilities for the Statement**

This Statement, which includes the Consolidated Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2020, has been compiled from the related audited interim consolidated financial information. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the consolidated net profit and consolidated total comprehensive loss and other financial information of the Company including its Subsidiary in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the Companies included in the Company and of its Subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its Subsidiary and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the Companies included in the Company and of its Subsidiary are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Company and of its Subsidiary are responsible for overseeing the financial reporting process of the Company and of its Subsidiary.

### **Auditor's Responsibilities**

#### **(a) Audit of the Consolidated Financial Results for the year ended March 31, 2020**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2020 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its Subsidiary to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its Subsidiary to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results/ Financial Information of the, entities within the Company and its Subsidiary and to express an opinion on the Annual Consolidated Financial Results. For entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced.

We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2020**

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2020 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 ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 SA specified under section 143(10) of the Act 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.

As part of our annual audit we also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

### **Other Matters**

We did not audit the financial statements of Subsidiary included in the consolidated quarterly financial results and consolidated year to date results. The consolidated financials include Subsidiary's net assets of Rs. 220,505/- and Total Comprehensive Income of Rs.10,942/- as considered in the consolidated financial statements for the year ended 31<sup>st</sup> March 2020. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management of the Company. Auditors of the subsidiary, in their Annual report, has given Emphasis of Matters on the following items :

- I. Relating to uncertainty of outcome of the Appeals filed with Income Tax
- II. Relating to Going concern concept.
- III. Relating to Non provision of Deferred Tax Assets / Liability.

The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Our opinion on the consolidated financial statement is not modified in respect of the above matters.

**For Dayal and Lohia**  
Chartered Accountants  
Firm Reg. No. 102200W

(Anil Lohia)  
Partner  
Membership No: 031626

Mumbai, 30th June, 2020.





## GUJARAT PETROSYNTHESE LIMITED

Reg. Off: No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



Date: 30<sup>th</sup> June, 2020

To,  
**Bombay Stock Exchange Limited,**  
1<sup>st</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400001

**Scrip Code: 506858**

Dear Sir(s)/Ma'am(s),

**Subject: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

We hereby declare that M/s. Dayal & Lohia, Chartered Accountants, the Statutory Auditors of the Company have issued Audit Report with unmodified opinion on the Audited Financial Results of the Company (Standalone and Consolidated) for the Financial Year ended 31<sup>st</sup> March 2020.

This declaration is given in compliance with Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We kindly request you to take the above on your records and acknowledge receipt.

Thanking you,

Yours faithfully,

For **Gujarat Petrosynthese Limited**

**Ms. Urmi N. Prasad**

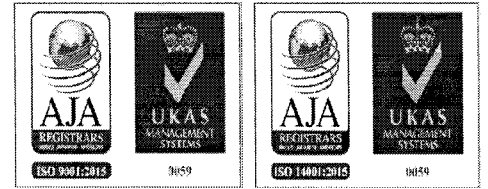
**Joint Managing Director & Chief Financial Officer**

**Address: 8-2-417/301, Mount Kailash, Road No. 4, Banjara Hills, Hyderabad-500034**



## GUJARAT PETROSYNTHESIS LIMITED

**Reg. Off:** No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



### Annexure

**Disclosure of Information pursuant to Regulation 30 of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated 9th September, 2015**

**Merger of Gujarat Polybutenes Private Limited with Gujarat Petrosynthese Limited and their respective shareholders:**

**1. Name of entity(ies) forming a part of the Merger, including brief details relating to size, turnover etc:**

**Transferor Company:** Gujarat Polybutenes Private Limited (**'GPPL'**) bearing CIN U24200MH2002PTC340316 is a Private Limited Company incorporated on 17<sup>th</sup> day of December, 2002, under Companies Act, 1956, having its Registered Office at Flat No. 1A, Ground Floor, Arcadia Building, N.C.P.A Marg, Nariman Point, Mumbai - 400021, Maharashtra, India.

**Transferee Company:** Gujarat Petrosynthese Limited (**'GPL'**) bearing CIN L23209KA1977PLC043357 is Listed Public Limited Company incorporated on 19<sup>th</sup> day of September, 1977, under Companies Act, 1956, having its Registered Office at 24, II Main, Doddanekkundi Industrial Area, Phase 1, Mahadevapura Post, Bangalore -560048, Karnataka India. The Transferee Company is listed on Bombay Stock Exchange Limited (**'BSE'**)

Set out below are the brief details of the Net worth and the Turnover of the Transferor Company and the Transferee Company:

Particulars	Net worth (in ₹)	Turnover (in ₹)
	As on 31 <sup>st</sup> day of March, 2020	As on 31 <sup>st</sup> day of March, 2020
Transferor Company	22,05,05,899	7,38,771
Transferee Company	22,08,62,122	20,20,54,138

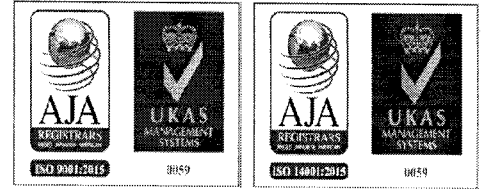
**2. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "Arms Length":**

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, the proposed merger does not fall within the purview of related party transactions, in view of General Circular No. 30/2014 dated 17<sup>th</sup> July, 2014 issued by the Ministry of Corporate Affairs and since the same is subject to the sanction of The National Company Law Tribunal. Further pursuant to Regulation 23(5)(b) of the Listing Regulations, the provisions relating to related party transactions are not applicable to the proposed Scheme of Merger.



## GUJARAT PETROSYNTHESIS LIMITED

**Reg. Off:** No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@GPL.in](mailto:info@GPL.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



### 3. Area of business of the entity(ies) forming a part of the Merger:

- i. The Transferor Company was engaged in the business of manufacturing polybutenes used in the manufacture of lubricants and additives. The Transferor Company discontinued its business in the year 2016 due to the non- availability of feedstock.
- ii. The Transferee Company is engaged in the business of polymer blends and alloys.

### 4. Rationale for the Merger:

The merger of Transferor Company with Transferee Company would *inter alia* have the following benefits:

- i. The Transferor Company is wholly-owned subsidiary of the Transferee Company, so merger will help to consolidate the entities;
- ii. The merger of the Transferor Company with the Transferee Company will remove inefficiencies and combine similar business interest into one corporate entity, resulting in operational synergies, simplification, streamlining and optimization of the group structure and efficient administration;
- iii. Achieving operational and management efficiency by way of consolidation of businesses;

Post-merger of Transferor Company with Transferee Company, the Transferor Company shall stand dissolved. Consequently, there would be lesser regulatory and legal compliance obligations including accounting, reporting requirements, statutory requirements, tax filings, company law requirements, etc. and therefore reduction in administrative costs.

### 5. In case of cash consideration – amount or otherwise share exchange ratio:

As the Transferor Company is a wholly-owned subsidiary of the Transferee Company, hence no consideration shall be payable pursuant to the Merger by Absorption of the Transferor Company with the Transferee Company, and the Shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act, application or deed.

### 6. Brief details of change in shareholding pattern (if any)of listed entity:

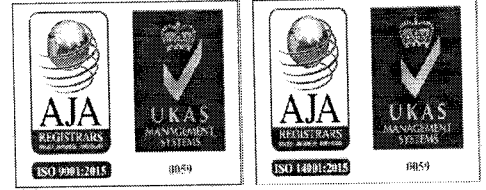
There shall not be any change in the shareholding pattern of the Transferee Company pursuant to the Scheme of Merger, as no shares are being issued by the Transferee Company in connection with the Scheme.

Further in terms of sub-paragraph (ii) of paragraph 4(d) of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017, in case of a wholly owned subsidiary is merged with its parent listed entity, where the shareholders and the shareholding pattern of the parent listed entity remains the same, it will be treated as '**No change in shareholding pattern**'.



## GUJARAT PETROSYNTHESE LIMITED

Reg. Off: No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT MEETING OF THE BOARD OF DIRECTORS OF GUJARAT PETROSYNTHESE LIMITED HELD ON TUESDAY, 30<sup>TH</sup> DAY OF JUNE, 2020 AT 1.45 P.M. (IST) AT 1A, GROUND FLOOR, ARCADIA BUILDING, N.C.P.A. MARG, NARIMAN POINT, MUMBAI-400021**

**Approval of the draft Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited (Transferor Company) with Gujarat Petrosynthese Limited(Transferee Company) and their respective shareholders**

**“RESOLVED THAT** pursuant to the provisions of Section 230 to 232, and other applicable provisions, if any, of the Companies Act, 2013 (including any modification(s) or re-enactment thereof for the time being in force), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the National Company Law Tribunal Rules, 2016, and other applicable provisions of the Income-tax Act, 1961 and clause B 27 of the Objects Clause of the Memorandum of Association, and subject to the requisite approval, consent and sanction of National Company Law Tribunal (NCLT), Mumbai and Bengaluru Bench or other authorities, if any, and as per the terms and conditions as mentioned the Scheme of Merger by Absorption, consent of the Board be and is hereby accorded unanimously to the Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited (**Transferor Company**) with Gujarat Petrosynthese Limited(**Transferee Company**) and their respective shareholders, with effect from 1<sup>st</sup> day of July, 2020 being the **“Appointed Date”**, placed before the Board.

**RESOLVED FURTHER THAT** the report of the impact of the Scheme on Key Managerial Personnel, Directors, Promoters, Non-Promoter Members, Depositors, Creditors, Debenture Holders, Deposit Trustee and Debenture Trustee, Employees and other stakeholders (if any) of the company tabled at this meeting be and is hereby approved unanimously.

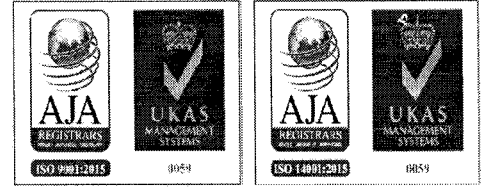
**RESOLVED FURTHER THAT** the report of Audit Committee recommending the draft Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited (**Transferor Company**) with Gujarat Petrosynthese Limited(**Transferee Company**) and their respective shareholders is hereby considered, accepted and approved.

**RESOLVED FURTHER THAT** Mrs. Urmi Prasad Jt Managing Director, Ms Charita Thakkar, Jt Managing Director, and Ms. Pratiksha Parmar, Company Secretary, be and are hereby severally authorized to file all such applications, notices, certificates, documents and other instruments as shall appear to be necessary or appropriate with any local or governmental or regulatory authorities in connection with the Scheme (**collectively the “Approvals”**) and the Authorized Persons be and are hereby severally authorized to seek such Approvals from, and to give such notices to, any private persons or entities as are necessary, or are reasonably deemed necessary or appropriate in relation to the Scheme and that the Authorized Persons be and are hereby severally authorized to sign the relevant applications with or without amendments,



## GUJARAT PETROSYNTHESIS LIMITED

**Reg. Off:** No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



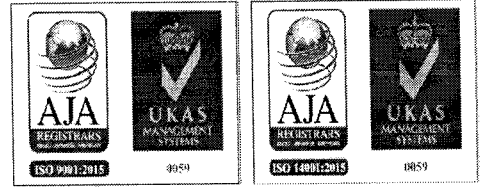
modifications or alterations for Approvals on behalf of the Company and do all such other acts, deeds, matters and things and to finalize and execute all such deeds documents and writings as they consider necessary, desirable or expedient, and in connection with the following:

- a. To make and agree to such consequential, necessary changes to the draft Scheme of Merger by Absorption;
- b. Filing the draft Scheme and/or any other consequential information, documents, details with the concerned Stock Exchanges or any other local or governmental or regulatory authorities, to obtain approval or sanction or no objection to any of the provisions of the Scheme or for giving effect thereto;
- c. Filing of applications(s)/ summon(s)/ affidavits/ petition(s), if required and as may be applicable, with the NCLT Mumbai and/or Bengaluru Bench or such other competent authority(ies) seeking directions as to convening/ asking for dispensation of the meetings of the shareholders and/or creditors of the Company as may be considered necessary, to give effect to the Scheme;
- d. Convening and conducting of shareholders/ creditors meetings as may be directed by the NCLT Mumbai and/or Bengaluru Bench;
- e. Finalizing draft of the scheme and making any alterations or modifications or amendments to the Scheme to comply with any conditions or limitations directed by the NCLT Mumbai and/or Bengaluru Bench, or any other statutory authority(ies) may deem fit to direct or impose or for any other reason which may otherwise be considered necessary, desirable or appropriate including solving all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect or make any modifications/ amendments to the Scheme in pursuance to change in law or otherwise, provided that no alteration which amounts to a material change shall be made to the substance of the Scheme except with the prior approval of the Board of Directors;
- f. Filing of petitions, if required, for confirmation and sanction of the Scheme by the NCLT Mumbai and Bengaluru Bench, or such other competent authority(ies);
- g. Engaging and instructing advocates or consultants and if considered necessary, also engage services of counsel(s), other concerned authority(ies), declare and file all pleadings, reports, and sign and issue public advertisements and notices;
- h. Obtaining approval from and represent before Registrar of Companies, Ministry of Corporate Affairs, Regional Director, Income Tax authorities and such other authorities and parties including the shareholders as may be considered necessary;



## GUJARAT PETROSYNTHESIS LIMITED

**Reg. Off:** No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357

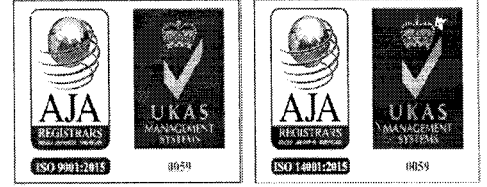


- i. Signing and executing request letters/ no objection/ sanction letters for obtaining the necessary no objection/ sanction letters for dispensation of the meeting(s) of the shareholders and/or creditors of the Company for approving the Scheme and thereafter submitting the same on receipt thereof to the NCLT Mumbai and/or Bengaluru Bench or any other appropriate authority, as may be required;
- j. Settling any questions or doubts or any difficulties that may arise with regard to the Scheme, including passing of accounting entries and/or making such other adjustments in the books of account as are considered necessary to give effect to the Scheme and this resolution;
- k. Accepting services of notices or other processes which may from time to time be issued in connection with the matter aforesaid and also to serve any such notices or other processes to parties or persons concerned;
- l. Producing all documents, matters or other evidence in connection with the matters aforesaid and any other proceedings incidental thereto or arising therefrom;
- m. Signing all applications, petitions, affidavits, papers, representations, pleadings, public advertisements, notices, E-forms to be filed with Registrar of Companies, documents, which are required to be signed, executed, delivered, for carrying in to effect the said Scheme all respects whatsoever and/or for obtaining directions (including but not limited to from the NCLT Mumbai and/or Bengaluru Bench) and for this purpose, to appear in person and/or represent the Company before the NCLT Mumbai and Bengaluru Bench, or any other authority and to deliver a certified copy of this resolution to any concerned party or authorities and for this purpose, to appear in person and/or represent the Company before the relevant NCLT Mumbai and Bengaluru Bench or any other authority;
- n. To file requisite forms, returns, other documents with the Registrar of Companies in connection with Scheme;
- o. Taking all procedural steps for having the Scheme sanctioned by the NCLT Mumbai and Bengaluru Bench including, without limitation, filing necessary applications, petitions and signing, verifying and affirming all applications, affidavits and petitions as may be necessary;
- p. Filing of application for Stamp Duty adjudication with the Additional Controller of Stamps, General Stamp Office, at relevant states; and
- q. Doing all further acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to the Scheme and for matters connected therewith or incidental thereto.



## GUJARAT PETROSYNTHESE LIMITED

Reg. Off: No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



**RESOLVED LASTLY THAT** Ms. Urmi Prasad or Ms. Charita Thakkar, Joint Managing Directors be and are hereby severally authorized to sign, swear and execute all necessary affidavits consenting to the proposed Scheme of Merger including authority to provide consent for any modification with respect to Scheme of Merger and for dispensing with meetings of Shareholders and Creditors of M/s.Gujarat Polybutenes Private Limited and to agree to any such alterations / changes therein as may be expedient or necessary for satisfying the requirement or conditions imposed by the Hon'ble National Company Law Tribunal Mumbai and/or Bengaluru Bench, in the said Scheme of Merger by Absorption.”

**//CERTIFIED TO BE TRUE COPY//**

For Gujarat Petrosynthese Limited

**Ms. Urmi N. Prasad**  
**Joint Managing Director**  
**DIN: 00319482**

**Address: 8-2-417/301, Mount Kailash, Road No. 4, Banjara Hills, Hyderabad, Telangana 500034**

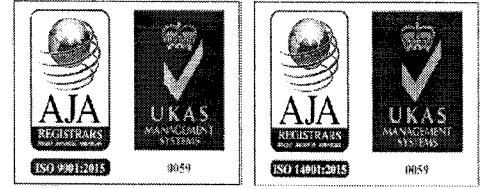
**Date: 30<sup>th</sup> June, 2020**

**Place: Mumbai**



## GUJARAT PETROSYNTHESE LIMITED

Reg. Off: No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



### Report of the Board of Directors of Gujarat Petrosynthese Limited on Proposed Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited ("Transferor Company") with Gujarat Petrosynthese Limited ("Transferee Company") and their respective shareholders

#### Directors Present:

Mr. V. Raghu	Director	Through Video conferencing
Ms. Urmi Prasad	Director	Through Video conferencing
Ms. Charita Thakkar	Director	Through Video conferencing
Mr. Rajesh Parikh	Director	Through Video conferencing
Mr. M D Garde	Director	Through Video conferencing

#### 1. Background:

- A. Meeting of the Board of Directors (**'Board'**) of Gujarat Petrosynthese Limited (**"the Company"**) was held on Tuesday, 30<sup>th</sup> day of June, 2020 to consider and recommend the proposed Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited (Transferor Company) with Gujarat Petrosynthese Limited (Transferee Company) and their respective Shareholders to be implemented as per the terms specified in the scheme.
- B. In terms of section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the Scheme on directors, shareholders, key managerial personnel, debenture holders, debenture trustee, creditors, employees and other stakeholder (if any) has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of section 232(2)(c) of Companies Act, 2013.

#### 2. While deliberating on the Scheme, the Board had, *inter-alia*, considered and took on record following necessary documents: ('Documents'):

- A. Proposed Scheme of Merger by Absorption of Gujarat Polybutenes Private Limited (Transferor Company) with Gujarat Petrosynthese Limited (Transferee Company);
- B. Memorandum of Association and Article of Association of the Companies involved in Scheme of Merger by Absorption;
- C. Audited Financials of the Company and the Company as on 31<sup>st</sup> day of March, 2020;

#### 3. Rationale and Purpose of the Proposed Scheme:

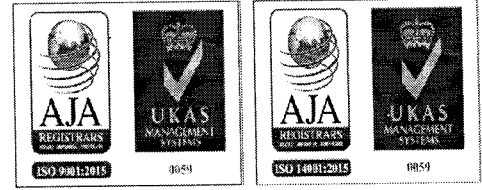
The Transferor company is wholly owned subsidiary of the Transferee Company. The merger of Transferor Company with Transferee Company would *inter alia* have the following benefits:





## GUJARAT PETROSYNTHESIS LIMITED

**Reg. Off:** No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



- i. The Transferor Company is wholly-owned subsidiary of the Transferee Company, so merger will help to consolidate the entities;
- ii. The merger of the Transferor Company with the Transferee Company will remove inefficiencies and combine similar business interest into one corporate entity, resulting in operational synergies, simplification, streamlining and optimization of the group structure and efficient administration;
- iii. Achieving operational and management efficiency by way of consolidation of businesses;
- iv. Post-merger of Transferor Company with Transferee Company, the Transferor Company shall stand dissolved. Consequently, there would be lesser regulatory and legal compliance obligations including accounting, reporting requirements, statutory requirements, tax filings, company law requirements, etc. and therefore reduction in administrative costs.

#### 4. Report of the Directors

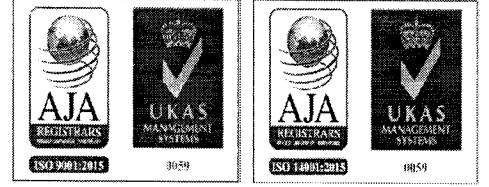
- A. Based on review of the Proposed Scheme of Merger by Absorption of Transferor Company with Transferee Company, the Board of Directors believes that the Scheme of Merger by Absorption is fair and reasonable.
- B. The proposed Scheme of Merger by Absorption is between wholly owned subsidiary and its parent company and hence no shares are required to be issued. Accordingly, there is no need to obtain a valuation report and thus the question of any issues or difficulties regarding valuation does not arise.
- C. The proposed Scheme of Merger by Absorption relates to transfer of the entire business and undertaking of the Transferor Company including its assets and liabilities to the Transferee Company.
- D. The Directors or Key Managerial Personnel (“KMP”) of the Company or their relatives do not have any other interest in the Scheme except to the extent of their shareholding, if any, in the Company. Further, none of the Directors, KMP and / or relatives of the directors / KMPs of the Company is concerned or interested, financially or otherwise, in the proposed Scheme. The effect of the Scheme on interest of the Directors or KMPs or their relatives, is not any different from the effect of the Scheme on like interest of other persons.
- E. The effect of the proposed Scheme of Merger by Absorption on various stakeholders of the Company would be as follows.

Effect of the merger on:	
(a) key managerial personnel;	No Impact
(b) directors;	No Impact
(c) promoters;	No Impact
(d) non-promoter members;	No Impact
(e) creditors;	No Impact



## GUJARAT PETROSYNTHESE LIMITED

**Reg. Off:** No.24, II Main, Doddanekkundi Industrial Area,  
Phase I, Mahadevapura Post, Bangalore-560 048.  
Ph: 91 – 80 - 28524133 Fax: 91– 80 - 28524171  
E-mail : [info@gpl.in](mailto:info@gpl.in), Website: [www.gpl.in](http://www.gpl.in)  
CIN No. L23209KA1977PLC043357



(f) debenture holders	Not Applicable
(g) debenture trustee	Not Applicable
(h) employees of the Company	No Impact

In the opinion of the Board, the said scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable.

For and on behalf of Gujarat Petrosynthese Limited

**Ms. Urmi N. Prasad**

**Joint Managing Director**

**DIN:** 00319482

**Address:** 8-2-417/301, Mount Kailash, Road No. 4, Banjara Hills, Hyderabad, Telangana 500034

**Date:** 30<sup>th</sup> June, 2020

**Place:** Mumbai

**SCHEME OF MERGER BY ABSORPTION**  
**OF**  
**GUJARAT POLYBUTENES PRIVATE LIMITED**  
**(TRANSFEROR COMPANY)**  
**WITH**  
**GUJARAT PETROSYNTHESIS LIMITED**  
**(TRANSFeree COMPANY)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS**

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF  
THE COMPANIES ACT, 2013**

---

*Umi N. Prasad*

This Scheme of Merger by Absorption (the "**Scheme**") is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof) for Merger by Absorption of '**GUJARAT POLYBUTENES PRIVATE LIMITED**' (hereinafter referred to as '*Transferor Company*') with '**GUJARAT PETROSYNTHESE LIMITED**' (hereinafter referred to as '*The Transferee Company*') and their respective Shareholders.

**(A) DESCRIPTION OF COMPANIES**

- i. **GUJARAT POLYBUTENES PRIVATE LIMITED** (hereinafter referred to as "GPPL" or "Transferor Company") bearing CIN U24200MH2002PTC340316. GPPL was incorporated under the Companies Act, 1956, under the name and style of '**Gujarat Polybutenes Private Limited**' on the 17<sup>th</sup> day of December, 2002 with the Registrar of Companies Maharashtra, Mumbai. There after GPPL shifted its registered office from the State of Maharashtra to state of Gujarat by an order of the Company Law Board, Western Region, Mumbai dated 23<sup>rd</sup> day of December, 2004 and the Certificate registering the order was given by Registrar of Companies, Ahmedabad on 14<sup>th</sup> day of March, 2005. Thereafter GPPL shifted its registered office from the State of Gujarat to state of Karnataka by an order of the Regional Director, North-Western Region, Mumbai dated 24<sup>th</sup> day of June, 2019 and the Certificate registering the order was given by Registrar of Companies, Bangalore on 22<sup>nd</sup> day of July, 2019. Subsequently GPPL has shifted its registered office from the State of Karnataka to state of Maharashtra by an order of the Regional Director, South Eastern Region, Hyderabad dated 20<sup>th</sup> day of March, 2020 and the Certificate registering the order was given by Registrar of Companies, Maharashtra, Mumbai on 5<sup>th</sup> day of June, 2020. Currently the Registered office of GPPL is situated in state of Maharashtra, City Mumbai, India. GPPL was



engaged in the business of manufacturing polybutenes used in the manufacture of lubricants and additives. GPPL discontinued its business in the year 2016 due to the non-availability of feedstock. GPPL is the wholly owned subsidiary of GPL.

- ii. **GUJARAT PETROSYNTHESE LIMITED** (hereinafter referred to as "GPL" or "Transferee Company") bearing CIN L23209KA1977PLC043357. GPL was incorporated under the Companies Act, 1956, under the name and style of "**Petrosynthese Private Limited**" on the 19<sup>th</sup> September, 1977 with the Registrar of Companies Gujarat, Ahmedabad. Thereafter GPL converted from Private Limited to Public Limited under section 31 of the Companies Act, 1956, the Registrar of Companies Gujarat, Ahmedabad issued a fresh certificate of incorporation consequent on change of name dated 13<sup>th</sup> day of September, 1981. Subsequently GPL changed its name from Petrosynthese Private Limited to Gujarat Petrosynthese Limited under section 21 of the Companies Act, 1956, the Registrar of Companies Gujarat, Ahmedabad issued a fresh certificate of incorporation consequent on change of name dated 4<sup>th</sup> day of February, 1982. GPL shifted its registered office from the State of Gujarat to state of Karnataka by an order of the Company Law Board, Western Region, Mumbai dated 11<sup>th</sup> day of June, 2007 and the Certificate registering the order was given by Registrar of Companies, Bangalore on 13<sup>th</sup> day of July, 2007. Currently GPL has its registered office situated in state of Karnataka, City Bangalore, India. The Equity shares of GPL are listed on Bombay Stock Exchange Limited (BSE). The company is engaged in the business of polymer blends and alloys.

**(B) RATIONALE OF THE SCHEME**

The merger of Transferor Company with Transferee Company would *inter alia* have the following benefits:

- i. The Transferor Company is wholly-owned subsidiary of the Transferee Company, so merger will help to consolidate the entities;
- ii. The merger of the Transferor Company with the Transferee Company will remove inefficiencies and combine similar business interest into one corporate entity, resulting in operational synergies, simplification, streamlining and optimization of the group structure and efficient administration;
- iii. Achieving operational and management efficiency by way of consolidation of businesses;
- iv. Post-merger of Transferor Company with Transferee Company, the Transferor Company shall stand dissolved. Consequently, there would be lesser regulatory and legal compliance obligations including accounting, reporting requirements, statutory requirements, tax filings, company law requirements, etc. and therefore reduction in administrative costs.

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 present Scheme of Merger by Absorption between the Transferor Company with the Transferee Company. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

For sake of convenience, this Scheme is divided into following parts:

- |                 |   |
|-----------------|---|
| <b>Part A -</b> | Dealing with definitions and share capital.         |
| <b>Part B -</b> | Dealing with Merger by Absorption of GPPL with GPL. |
| <b>Part C -</b> | Dealing with general terms and conditions.          |
| <b>Part D -</b> | Dealing with Other Terms & Conditions.              |

**PART A**  
**DEFINITIONS AND SHARE CAPITAL**

**1. DEFINITIONS**

1.1. In this Scheme, unless repugnant to or inconsistent with the subject or context thereof, the following expressions shall have the following meanings:

1.1.1. **"GPPL" or "Transferor Company"** means **'GUJARAT POLYBUTENES PRIVATE LIMITED'** a company incorporated under the Companies Act, 1956 bearing CIN U24200MH2002PTC340316 and having its registered office at Flat No.1A, Ground Floor, Arcadia Building, N.C.P.A Marg, Nariman Point, Mumbai - 400021, Maharashtra, India.

1.1.2. **"GPL" or "Transferee Company"** means **'GUJARAT PETROSYNTHESE LIMITED'** a company incorporated under the Companies Act, 1956 bearing CIN L23209KA1977PLC043357 having its registered office at 24, II Main, Doddanekkundi Industrial Area, Phase 1, Mahadevapura, Bangalore -560048, Karnataka.

1.1.3. **"Act" or "the Act"** means the Companies Act, 2013 (including any statutory modifications and re-enactments thereof) as in force from time to time.

1.1.4. **"Applicable Law(s)"** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or reenactment thereof for the time being in force.

1.1.5. "**Appointed Date**" shall mean 1<sup>st</sup> day of July, 2020 for the purposes of Section 232(6) of the Companies Act, 2013 or such other date as may be fixed by the Tribunal.

1.1.6. "**Appropriate Authority**" means any governmental, statutory, regulatory, departmental or public body or authority of India including Securities and Exchange Board of India, Stock Exchange, Registrar of Companies, the National Company Law Tribunal.

1.1.7. "**Board of Directors**" or "**Board**" means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted Committee thereof;

1.1.8. "**Effective Date**" means the last of the dates, if applicable, on which the certified or authenticated copy (ies) of the order(s) sanctioning the Scheme passed by the National Company Law Tribunal of Judicature at Mumbai for Transferor Company and order(s) sanctioning the Scheme passed by the National Company Law Tribunal of Judicature at Bengaluru for Transferee Company is/are filed with the Registrar of Companies, Maharashtra, Mumbai and Registrar of Companies, Bangalore respectively.

1.1.9. "**Governmental Authority**" 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;

1.1.10. "**National Company Law Tribunal**" or "**NCLT**" or "**Tribunal**" means the competent authority under the provisions of Sections 230 to 232 and other applicable provisions of the Act and specifically refers to the National Company Law Tribunal, Mumbai Bench for Transferor Company and National Company Law Tribunal, Bengaluru



Bench for Transferee Company. The Jurisdictions with respect to the Companies involved in the Scheme is based on the location of their registered offices located in State of Maharashtra and in State of Karnataka respectively.

1.1.11. **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

1.1.12. **"SEBI Circular"** shall mean the circular issued by the SEBI, being Circular **CFD/DIL3/CIR/2017/21** dated March 10, 2017, and any amendments thereof.

1.1.13. **"Scheme"** or **"the Scheme"** or **"this Scheme"** or **"Scheme of Merger by Absorption"** or **"Merger"** means this Scheme of Merger by Absorption in its present form or with any modification(s) made under Clause 18 of this Scheme or any modifications approved or directed by the National Company Law Tribunal or any other Government Authority.

1.1.14. **'Stock Exchange'** means BSE Limited ("BSE")

1.1.15. **"Undertaking"** means and includes the whole of the undertaking / business of Transferor Company, as a going concern, being carried on by Transferor Company and shall include (without limitation):

(a) All the assets and properties, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses, registrations, membership of professional associations, other associations and clubs, certificates,

permissions, consents, approvals from state, central, municipal or any other authority for the time being in force, concessions (including but not limited to income-tax, excise duty, service tax (Goods and Service Tax) or customs, goods and service tax (Goods and Service Tax) and other incentives of any nature whatsoever), remissions, remedies, subsidies, guarantees, bonds, copyrights, patents, trade names, trade-marks and other rights and licenses including any applications in respect thereof, tenancy rights, leasehold rights, premises, ownership flats, hire purchase, lending arrangements, benefits of security arrangements, security contracts, computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts, deeds, instruments, agreements and arrangements, powers, authorities, permits, registrations / licenses etc. including pertaining to expatriates, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, preliminary expenses, benefit of deferred revenue expenditure, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax credits (including but not limited to credits in respect of income-tax, minimum alternate tax i.e. tax on book profits, , value added tax, sales tax, service tax (Goods and Service Tax), goods and service tax (Goods and Service Tax), etc.), tax benefits, tax losses (unabsorbed allowances), and other claims and powers, all books of accounts, documents and records of whatsoever nature and where so ever situated belonging to or in the possession of or granted in favor of or enjoyed by the Transferor Company, as on the date immediately preceding the Appointed Date;

wp

(c) All the debts, present and future liabilities, payables, contingent liabilities, duties and obligations (including duties/ rights/ obligations under any agreement, contracts, applications, letters of intent or any other contracts) as on the date immediately preceding the Appointed Date; and

(d) All employees if any on the payrolls of the Transferor Company on the closing hours of the date immediately preceding the Effective Date.

It is intended that the definition of Undertaking under this clause would enable the transfer of all property, assets, rights, duties, employees and liabilities of Transferor Company into Transferee Company pursuant to this Scheme.

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meanings ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be.

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme. The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:

- a. the singular shall include the plural and vice versa, and references to one gender include all genders;
- b. references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality);
- c. reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be

amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

## 2. SHARE CAPITAL

2.1. The Share Capital structure of the Transferor Company as per the Audited Accounts for the year ended as on 31<sup>st</sup> March, 2020 is as under:

Particulars	Amount in Rs
<b>Authorized Share Capital</b>	
60,00,000 Equity shares of Rs. 10/- each	6,00,00,000/-
40,00,000 shares 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- each	4,00,00,000/-
<b>TOTAL</b>	<b>10,00,00,000/-</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
44,90,000 Equity shares of Rs. 10/- each fully paid	4,49,00,000/-
<b>TOTAL</b>	<b>4,49,00,000/-</b>

Subsequent to 31<sup>st</sup> March, 2020, there has been no change in the Authorized, Issued, Subscribed and Paid up Share Capital of the Transferor Company.

2.2. The Share Capital structure of the Transferee Company as per the Audited Accounts for the year ended as on 31<sup>st</sup> March, 2020 is as under:

Particulars	Amount in Rs
<b>Authorized Share Capital</b>	
80,00,000 Equity shares of 10/- each	8,00,00,000/-
<b>Total</b>	<b>8,00,00,000/-</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
59,69,166 Equity shares of 10/- each	5,96,91,660/-
<b>Total</b>	<b>5,96,91,660/-</b>

Subsequent to 31<sup>st</sup> March, 2020, there has been no change in the Authorized, Issued, Subscribed and Paid up Share Capital of the Transferee Company.

**PART B**

**DEALING WITH MERGER BY ABSORPTION OF GPPL WITH GPL**

**3. DATE OF TAKING EFFECT**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the National Company Law Tribunal under Clause 18 of the Scheme shall be effective from the Appointed Date but shall become operative from the Effective Date.

**4. COMPLIANCE WITH TAX LAWS**

- 4.1. This Scheme has been drawn up to comply with the conditions as specified under Section 2 (1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961. 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 Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961.
- 4.2. All tax liabilities / refunds / credits / claims relating thereto under the Income-tax Act, Customs Act, Central Excise Act, Goods and services Tax, State sales tax laws, Central Sales Tax Act, Service tax, or other applicable laws / regulations dealing with taxes / duties / levies (hereinafter in this Clause referred to as "**Tax Laws**") of the Transferor Company to the extent not provided for or covered by tax provision in the financial statements made as on the date immediately preceding the Appointed Date shall be treated as liabilities / refunds / credits / claims of the Transferee Company and shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and TDS, credit for minimum alternate tax/ service

tax, Goods and Service Tax or such other credits as on the date immediately preceding the Appointed Date will also be transferred to and become the advance tax/other tax of the Transferee Company.

- 4.3. The refund under the Tax Laws due to the Transferor Company consequent to the assessments made on the Transferor Company whether before or after the Appointed Date and for which whether credit is taken or not in the financial statements as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 4.4. Without prejudice to the generality of the above, all benefits, credits, refunds, exemptions, incentives or concessions under Tax Laws as may be applicable to which the Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments in India, shall be available to and vest in the Transferee Company.
- 4.5. The Transferee Company shall be entitled to file / revise its income tax returns, service tax returns, Value Added Tax returns, Central Sales Tax returns, Goods and Service Tax Return, tax deducted at source certificates, tax deducted at source returns and other statutory returns and filings, if required under the Tax Laws, and shall have the right to claim or adjust refunds, advance tax credits, credit for minimum alternate tax / tax deducted at source / foreign taxes withheld/ paid, input tax credits etc. of the Transferor Company if any, as may be required consequent to implementation of this Scheme.

**5. MERGER BY ABSORPTION OF GUJARAT POLYBUTENES PRIVATE WITH GUJARAT PETROSYNTHESIS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND TRANSFER AND VESTING OF THE UNDERTAKING**

- 5.1. The Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the respective Appointed Date,

the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme in the following manner:

5.1.1. With effect from the Appointed Date, the whole of the Undertaking of the Transferor Company comprising of all assets and properties (whether movable or immovable) and all other assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to Section 232 and all other applicable provisions, if any, of the Act, without any further act or deed (same as provided in clauses 5.1.2 and 5.1.3 below) be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and liabilities of the Transferee Company from the Appointed Date and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Company therein.

5.1.2. All the movable assets including cash in hand, if any, of the Transferor Company, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. Such delivery shall be made on a date mutually agreed upon between the respective Board of Directors of the Transferor Company and the Board of Directors of the Transferee Company.

5.1.3. In respect of movables other than those specified in sub-clause 5.1.2 above, including sundry debtors, outstanding loans and advances, receivables, bills, credits, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, and other persons, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party.

5.1.4. With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Company shall also under the provisions of Section 230-232 of the Act read with rules made thereunder, without any further act or deed, be transferred to or be deemed to be transferred to Transferee Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company and it shall not be necessary to obtain the consent of any third party or another person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

5.1.5. All assets, rights, title, interest, investments and properties of the Transferor Company deemed to be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets of the Transferee Company as from the Appointed Date, upon the Scheme becoming effective, the Transferor Company will follow the necessary procedure to transfer them in the name of Transferee Company. The registrations in the name of the Transferor Company shall be deemed to be transferred in the name of the Transferee Company from the Appointed Date.

5.1.6. All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, 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 on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of Sections 230 to 232



of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and 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.

- 5.1.7. All the profits or income taxes (including advance tax, tax deducted at source, Foreign Tax Credits and MAT credit) or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely Advance tax, Tax deducted at source & Foreign Tax Credits), tax losses, MAT Credit, income costs, charges, expenditure or losses of Transferee Company, as the case may be.
- 5.1.8. It is clarified that the Scheme shall not in any manner affect the rights and interest of the creditors of the Transferor Company or be deemed to be prejudicial to their interests.
- 5.1.9. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date until such times the names of the bank accounts of the Transferor Company would be 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 other 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

ump

the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued by or against the Transferee Company after the coming into effect of the Scheme. The Transferee Company shall under the provisions of the Scheme be deemed from appointed date, 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.

5.1.10. The merger of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

## 6. CONSIDERATION

As the Transferor Company is a wholly-owned subsidiary of the Transferee Company, hence no consideration shall be payable pursuant to the Merger by Absorption of the Transferor Company with the Transferee Company, and the Shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act, application or deed.

## 7. ACCOUNTING TREATMENT

- 7.1. The Transferee Company shall, record all the assets, liabilities and reserves of the Transferor Company vested in it pursuant to this Scheme, at their book values and in the same form as appearing in the books of the Transferor Company as on the Appointed Date, by applying the principles as set out in **Appendix C of IND AS 103 'Business Combinations'** and prescribed under Companies (Indian Accounting Standards) Rules, 2015 issued by the Institute of Chartered Accountants of India.
- 7.2. The financial statements of the Transferee Company will reflect the financial position on the basis of consistent accounting policies. In case of any difference in any of the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and impact of the same as on the Appointed Date will be quantified and adjusted in the Reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 7.3. If there are any loans, advances or other obligations (including but not limited to any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form) that are due between the Transferor Company and the Transferee Company or between any of the Transferor Company inter-se, if any, shall, ipso facto, stand discharged and come to end and the same shall be eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.

- 7.4. Investments in shares of the Transferor Company held by the Transferee Company shall be adjusted against Share Capital of the Transferor Company in the books of the Transferee Company and the difference, if any, between cost of investment of the Transferor Company in the books of the Transferee Company shall be adjusted against balance of reserves and surplus of the Transferee Company post-merger.
- 7.5. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
- 7.6. Notwithstanding the above, the Board of Directors of the Transferor Company and the Transferee Company, in consultation with respective statutory auditors, are authorized to record Assets, Liabilities and Reserves and Surplus in compliance with prevailing Accounting Standards.

### **PART C**

#### **GENERAL TERMS AND CONDITIONS**

##### **8. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 8.1. Subject to the other provisions of this Scheme, all memoranda of understanding, contracts (including but not limited to customer contracts, service contracts and supplier contracts), schemes, assurances, licences, insurance policies, guarantees, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, and other assurances and other instruments of whatsoever nature to which the Transferor Company, is a party or to the benefit of which the Transferor Company maybe eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of, as the case may be, the Transferee Company, and enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement,

confirmation or novation to which the Transferor Company will, if necessary, also be a party in order to give formal effect to this clause, if so required or becomes necessary.

## **9. LEGAL PROCEEDINGS**

- 9.1. If any legal proceedings including but not limited to suits, summary suits, indigent petitions, appeal, revision or other proceedings of whatever nature (hereinafter called "**the proceedings**") by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in the Scheme, but the proceedings may be continued, prosecuted 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, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made, and any payment and expenses made thereto shall be the liability of Transferee Company.
- 9.2. On and from the Effective Date, the Transferee Company shall be entitled to initiate any legal proceeding for and on behalf of the Transferor Company for any actions taken by or against the Transferor Company or any other person, as the case may be, notwithstanding the fact the Transferor Company stand dissolved without winding up from the Effective Date.
- 9.3. Without prejudice to the provisions of above mentioned 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.

## **10. EMPLOYEES OF THE TRANSFEROR COMPANY**

- 10.1. All staff, workmen and employees (including those on sabbatical / maternity leave) of the Transferor Company, in service on the Effective Date, shall become staff, workmen and employees of the Transferee Company on such date without any break or interruption in service and on

terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date. The services of such employees shall not be treated as having been broken or interrupted for the purpose of provident fund or gratuity or superannuation or statutory purposes or otherwise and for all purposes will be reckoned from the date of appointment with the Transferor Company.

10.2. It is expressly provided that, on the Scheme becoming effective, the provident fund, contribution towards employees state insurance, labour welfare fund or any other special fund or trusts created or existing for the benefit of the employees of the Transferor Company (collectively referred to as the "**Funds**") shall be transferred to similar Funds created by the Transferee Company and shall be held for their benefit pursuant to this Scheme or, at the Transferee Company's sole discretion, maintained as separate Funds by the Transferee Company. In the event that the Transferee Company does not have its own Funds in respect of any of the above, the Transferee Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds of the Transferor Company, until such time that the Transferee Company creates its own Funds, at which time the funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to the Funds created by the Transferee Company.

10.3. It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits (including employee stock options) that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor

unp

Company with any employee of the Transferor Company.

#### **11. CONDUCT OF ACTIVITIES TILL EFFECTIVE DATE**

With effect from the appointed date of the Scheme and up to and including the Operative Date:

- 11.1. The Transferor Company shall carry on or deemed to have carried on all their respective activities and shall be deemed to have held or stood possessed of and shall hold and stand possessed of all the said assets for and on account of and in trust for the Transferee Company.
- 11.2. All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrued as the profits and income or expenditure or losses of the Transferee Company, as the case may be.
- 11.3. The Transferor Company shall carry on its respective activities with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encumber or otherwise deal with the said assets or any part thereof except in the ordinary course or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date or except with prior written consent of the Transferee Company.
- 11.4. The Transferor Company shall not, without prior written consent of the Transferee Company, undertake any new activities.
- 11.5. The Transferor Company shall not, without prior written consent of the Transferee Company, take any major policy decisions in respect of management and activity of the Company and shall not change its present capital structure.
- 11.6. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require pursuant to this Scheme.

11.7. Pending sanction of the Scheme, the Transferor Company shall not, except by way of issue of shares / convertible debentures to the Transferee Company, increase their capital (by fresh issue of shares, convertible debentures or otherwise).

## **12. 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 under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in regard thereto, as if done and executed by the Transferee Company on its behalf.

## **13. DIVIDENDS, PROFIT AND BONUS/RIGHTS SHARES**

13.1. The Transferor Company shall not without the prior written consent of the Transferee Company declare any dividends, whether interim or final, for the financial year ending on or after the Appointed Date and subsequent financial years.

13.2. Subject to the provisions of this Scheme, the profits of the Transferor Company for the period beginning from Appointed Date shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit

## **14. VALIDITY OF EXISTING RESOLUTIONS, ETC.**

14.1. Upon the Scheme coming into operation, the resolutions of the Transferor Company, as are considered necessary by the Board of Directors of the Transferee Company and which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other 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 the Transferee Company and shall constitute the aggregate of the said limits of the Transferee Company.

- 14.2. Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 180 of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

#### **15. COMBINATION OF AUTHORISED CAPITAL**

- 15.1. Upon the Scheme coming into effect, the Authorized Share Capital of the Transferee Company, shall automatically stand increased without any further act on the part of the Transferee Company including payment of stamp duty and registration fees payable to Registrar of Companies, by clubbing the Authorized Share Capital of the Transferor Company Rs. 10,00,00,000/- (Rupees Ten Crores Only) divided into 60,00,000 Equity shares of Rs. 10/- each, and 40,00,000 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- each.
- 15.2. Pursuant to the Scheme becoming effective and consequent Merger of the Transferor Company into the Transferee Company, the authorized share capital of the Transferee Company will be as under:

<b>Particulars</b>	<b>Amount in Rs</b>
<b>Authorized Share Capital</b>	
1,40,00,000 Equity shares of 10/- each	14,00,00,000/-
40,00,000 shares 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- each	4,00,00,000/-
<b>Total</b>	<b>18,00,00,000/-</b>

It is clarified that the approval of the members of the Transferee Company to the Scheme, whether at a meeting or otherwise, shall also be deemed to be their consent / approval to the amendment of the Memorandum of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

Clause V of the Memorandum of Association of the Transferee Company

"The Authorized share capital of the Company shall be Rs. 18,00,00,000/- (Rupees Eighteen Crore Only) divided into 1,40,00,000 (One Crore Forty Lakh) Equity shares of Rs. 10/- each, and 40,00,000 (Forty Lakh) 5% Non-Cumulative Redeemable Preference shares of Rs. 10/- each with the power to the Company to increase or reduce the said capital and to issue any part of its capital, original or increased with or without preferences, priority or special privilege or subject to any postponement of rights or to any conditions of issue shall otherwise be subject to the power herein contained. The rights and privileges attached to any share having preferential, qualified or special rights, privileges or conditions attached thereto may be altered or dealt with in accordance with clause of the accompanying Articles of Association but not otherwise."

15.3. It is hereby clarified that the Transferee Company through its Board, if required, would be entitled to make appropriate reclassification / combination of its Authorized Share Capital and provide suitable clarifications to the Registrar of Company with regard to the clubbing of the Authorized Share Capital of the Transferor Company with the Transferee Company.

**PART D**

**DEALS WITH OTHER TERMS AND CONDITIONS**

**16. DISSOLUTION OF THE TRANSFEROR COMPANY**

- 16.1. On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and without any further act by the parties.
- 16.2. On and with effect from the Effective Date, the names of the Transferor Company shall be struck off from the records of the appropriate Registrar of Companies. The Transferee Company shall make necessary filings in this regard. Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferee Company insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally effected by the parties concerned.

**17. APPLICATIONS / PETITIONS TO THE NATIONAL COMPANY LAW TRIBUNAL AND APPROVALS**

- 17.1. The Transferor Company and Transferee Company shall, with all reasonable dispatch, make application / petition to the National Company Law Tribunal or such other appropriate authority under Sections 230 to 232 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of the Transferor Company as may be directed by the National Company Law Tribunal or such other appropriate authority.

## **18. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

- 18.1. The Transferor Company and the Transferee Company, through their Directors or Committee of Directors or through any Director(s) or Company Secretary authorized in that regard, may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme or to any conditions which the National Company Law Tribunal and/or any other Authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in carrying out this Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect, subject to approval of Honourable National Company Law Tribunal.
- 18.2. For the purpose of giving effect to this Scheme or to any modification, amendment or condition thereof, the Directors of the Transferee Company are authorized to give such directions and/or to take such step as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

## **19. VALIDITY OF EXISTING RESOLUTIONS, ETC**

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

## **20. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS**

20.1. The Scheme is conditional upon and subject to:

20.1.1 Approval of the Scheme by the requisite majority of each class of

the respective members and creditors of the Transferor Company and the Transferee Company, if applicable, in terms of the applicable provisions of the Act;

20.1.2 Sanctions and orders under the provisions of Section 230 read with Section 232 of the Act being obtained by the Transferor Company and the Transferee Company from the respective National Company Law Tribunal;

20.1.3 The requisite consents, approvals or permissions if any of the Government Authority or any other Statutory Agencies which by law may be necessary for the implementation of this Scheme.

20.1.4 The certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning this Scheme being filed with the appropriate Registrar of Companies.

## **21. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

21.1. In the event of any of the said approvals referred to in Clause 20 above not being obtained and / or complied with and/or satisfied and/or this Scheme not being sanctioned by the respective National Company Law Tribunal and/or order or orders not being passed as aforesaid at a date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect.

21.2. The Boards 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 could have adverse implications on the Transferor Company and/ or the Transferee Company.

21.3. If any part of this Scheme hereof is invalid, ruled illegal by the National Company Law Tribunal, or unenforceable under present or future laws,



then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme.

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

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

\*\*\*\*\*

*Umi N. Prasad*