

By Online submission

Sec/22-23/33
Date:16-06-2022

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Tower
Dalal Street, Fort,
Mumbai-400 001.
BSE CODE: 524370

To,
The General Manager,
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.
NSE CODE: BODALCHEM

Dear Sir/madam

Sub: Notice of the Meeting of the Secured Creditors of Bodal Chemicals Ltd ("Transferee Company") convened as per directions of Hon'ble National Company Law Tribunal ("NCLT"), Ahmedabad Bench.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of the Notice of the NCLT convened meeting of the Secured Creditor, as directed by Hon'ble NCL T, Ahmedabad Bench, vide its Order dated 06th June 2022 Convening meeting on Thursday, 21st July, 2022 at 11:00 a.m. (IST) at The ATMA Auditorium, Opp. Old Reserve Bank of India Building, Ashram Road, Ahmedabad 380 009 ("Meeting") for the purpose of considering, and, if thought fit, approving, with or without modification, the Scheme of Amalgamation of S P S Processors Private Limited with Bodal Chemicals Limited and their respective Shareholders and Creditors.


REMOTE E-VOTING PERIOD:

Start Date	Monday, 18th July 2022 (9:00 a.m. IST)
End Date	Wednesday, 20th July 2022 (5:00 p.m. IST).

The Notice of the NCLT convened meeting of Secured Creditors is being sent via e-mail to all the Secured Creditors whose e-mail IDs are registered with the Company.

The copy of the Notice of NCLT convened meeting of Secured Creditors is uploaded on website of the Company at www.Bodal.com. Kindly take the same on your record.

Thanking You,
Yours faithfully
For, Bodal Chemicals Ltd.


Ashutosh B Bhatt
Company Secretary





BODAL CHEMICALS LIMITED
CIN: L24110GJ1986PLC009003

Regd. Office: Plot No.123-124, Phase-1, GIDC, Vatva, Ahmedabad-382 445

Corporate Office: "BODAL CORPORATE HOUSE", Beside Maple Green Resi., Nr. Anand Niketan School, Nr. Shilaj Circle, Off. S P Ring Road, Thaltej, Ahmedabad-380059

Phone: +91 79 68160100 **Email:** secretarial@bodal.com **Website:** www.bodal.com

NOTICE OF THE MEETING OF THE SECURED CREDITORS OF
BODAL CHEMICALS LIMITED
(Convened pursuant to an Order dated 06th June 2022 passed by
Hon'ble National Company Law Tribunal, Ahmedabad Bench)

MEETING DETAILS:

Day	Thursday
Date	21 st July, 2022
Time	11:00 a.m.
Venue	The ATMA Auditorium, Opp. Old Reserve Bank of India Building, Ashram Road, Ahmedabad 380 009 in the state of Gujarat.

REMOTE E-VOTING PERIOD:

Start Date	Monday, 18th July 2022 (9:00 a.m. IST)
Last Date	Wednesday, 20th July 2022 (5:00 p.m. IST)

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
BENCH
C A (CAA) NO 21 of 2022**

In the matter of the Companies Act, 2013;
AND

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

AND

In the matter of Scheme of Amalgamation of S P S Processors Private Limited with Bodal Chemicals Limited.

BODAL CHEMICALS LIMITED

CIN: L24110GJ1986PLC009003

Company incorporated under the Companies Act, 1956, having its registered office at

Plot No. 123 and 124, Phase -1 GIDC, Vatva, Ahmedabad- 382445, Gujarat, India..... Applicant Transferee Company

NOTICE CONVENING THE MEETING OF SECURED CREDITORS OF BODAL CHEMICALS LIMITED

To,

The Secured Creditors of Bodal Chemicals Limited

TAKE NOTICE that by an order dated 06th June, 2022, the Ahmedabad Bench of the National Company Law Tribunal (“NCLT” or “Tribunal”) has directed a meeting to be convened and held of Secured Creditors of Bodal Chemicals Limited (“Bodal” or “Transferee Company”) for the purpose of considering, and, if thought fit, approving, with or without modification, the Scheme of Amalgamation of S P S Processors Private Limited with Bodal Chemicals Limited and their respective Shareholders and Creditors.

TAKE FURTHER NOTICE THAT in pursuance of the said order and as directed therein further notice is hereby given that the meeting of Secured Creditors of Bodal Chemicals Limited will be held on Thursday, 21st July, 2022 at 11:00 a.m. IST at The ATMA Auditorium, Opp. Old Reserve Bank of India Building, Ashram Road, Ahmedabad 380 009 (“Meeting”) at which time and place the said Secured Creditors are requested to attend.

The following resolution will be considered and if thought fit, be passed, with or without modification(s) :

“**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), the National Company Law Tribunal Rules, 2016, the Securities and Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 and Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November 2021 (as amended from time to time) (“SEBI Circular”), (to the extent applicable), the observation letters issued by each of the BSE Limited and the National Stock Exchange of India Limited dated 10th February 2022 and 11th February, 2022 respectively and subject to any provision of any other Applicable law / statute and in accordance with the relevant clauses of the Memorandum of Association and Articles of Association of the Company and subject to the approval of the Hon’ble National Company Law Tribunal, Ahmedabad Bench (“NCLT” or “Tribunal”) and approval of such other Regulatory / Statutory / Government authority (ies), as may be necessary or as may be directed by the NCLT or such other competent authority(ies), as the case may be, approval of the Secured Creditors of the Company be and is hereby accorded to the proposed Scheme of Amalgamation of S P S Processors Private Limited with Bodal Chemicals Limited and their respective Shareholders and Creditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter called the ‘Board’, which term shall be deemed to include any person (s) authorized and / or Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution), be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, (including withdrawal of the Scheme), which may be required or directed by the NCLT while sanctioning the Scheme or by any authorities under law or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the board of directors may deem fit and proper.”

TAKE FURTHER NOTICE THAT you may attend and vote at the said meeting in person or through Authorised Representative or by proxy provided that the copy of authorization or prescribed form of proxy, duly signed by you, is deposited at the registered office of the Applicant Transferee Company at Plot No. 123 and 124, Phase -1 GIDC, Vatva, Ahmedabad- 382445, Gujarat, India not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting (i.e. 21st July 2022, 11:00 a.m.). The form of proxy, if required, can be obtained free of charge from the registered office of the Applicant Transferee Company or can be downloaded from

the website of the Applicant Transferee Company.

TAKE FURTHER NOTICE that

- a) in compliance with the provisions of (i) MCA Circulars; (ii) SEBI Circular; (iii) Sections 108 and 230 of the Companies Act read with the rules framed there under and Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Bodal has provided the facility of voting by remote e-voting so as to enable the Secured Creditors to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by Secured Creditors of Bodal to the Scheme shall be carried out through (i) remote e-voting system or (ii) ballot / polling paper as arranged by the Applicant Transferee Company at the venue of the meeting to be held on 21st July, 2022.
- b) in compliance with the applicable provisions of the Act and the Order passed by NCLT, (a) the aforesaid Notice, (b) the Scheme, (c) the explanatory statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made there under, and (d) the enclosures as indicated in the Index (collectively referred to as “**Particulars**”), are being sent (i) through electronic mode to those Secured Creditors whose e-mail IDs are registered with Bodal and (ii) through registered post or speed post or courier, physically to those Secured Creditors who have not registered their e-mail ids with Bodal. The aforesaid Particulars are being sent to all the Secured Creditors whose names appear in the records of the Company as on Tuesday, 31st May, 2022.
- c) the Secured Creditors may note that the aforesaid Particulars will be available on Bodal website www.bodal.com websites of the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Central Depository Services (India) Limited (“CDSL”) at www.evotingindia.com
- d) copies of the aforesaid Particulars can be obtained free of charge, between 11.00 a.m. to 1.00 p.m. on all working days, at the registered office of Bodal, up to the date of the Meeting, at Plot No. 123 and 124, Phase -1 GIDC, Vatva, Ahmedabad- 382445, Gujarat, India, or from the office of its advocates, Mrs. Swati Saurabh Soparkar, 301, Shivalik 10, Opp. SBI Zonal Office, S.M. Road, Ambawadi, Ahmedabad-380015, Gujarat, India.
- e) the NCLT has appointed Mr. Monaal J. Davawala, Advocate and in his absence, Mr. Yuvraj G. Thakore, Advocate to be the Chairman of the Meeting including for any adjournment or adjournments thereof;
- f) the Scheme, if approved at the Meeting, will be subject to the subsequent approval by the Hon’ble National Company Law Tribunal, Ahmedabad Bench.

Sd/-

Dated : 09th June, 2022

Chairman appointed for the Meeting

Registered Office:

Plot No. 123 and 124, Phase -1 GIDC,
Vatva, Ahmedabad- 382445, Gujarat,
India

NOTES:

- a) A copy of the explanatory statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of Companies Act and the rules made there under, the Scheme and the other enclosures as indicated in the Index are enclosed.
- b) A SECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A SECURED CREDITOR OF THE COMPANY. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- c) Form of Proxy is annexed to this Notice and can also be obtained from the registered office or downloaded from the website of the Company.
- d) All alterations made in the Form of Proxy should be initialed.
- e) Bodal has extended the remote e-voting facility for its Secured Creditors to enable them to cast their votes electronically. The instructions for remote e-voting are appended to the Notice. In case of remote e-voting, the votes should be cast in the manner described in the instructions from Monday, 18th July, 2022 (9:00 a.m. IST) to Wednesday, 20th July, 2022 (5:00 p.m. IST). The remote e-voting module shall be disabled by CDSL for voting after Wednesday, 20th July 2022 (05.00 PM IST). Once the vote on

a resolution is cast by Secured Creditors, he or she will not be allowed to change it subsequently.

- f) It is clarified that casting of votes by remote e-voting does not disentitle a Secured Creditor as on the Cut-off date of 14th July, 2022 from attending the meeting, however, such Secured Creditor who have cast their votes through e-voting shall not be entitled to cast their vote again. Further, a Secured Creditor cannot exercise his/her vote by proxy on remote e-voting.
- g) Secured Creditors whose names appear in the records of the Company as on 14th July 2022 (**cut-off date**) will be considered for the purpose of voting (including remote e-voting) in proportion to their outstanding amount of Secured loan to the Company as on the cut-off date.
- h) The authorised representative of a Body Corporate or Bank or Institution, which is a registered Secured Creditor of the Company may attend and vote at the meeting, provided a certified true copy of the resolution of the Board of Directors or other governing body of such Body Corporate, authorizing such a representative to attend and vote at the meeting is deposited at the registered office of the Company not later than 48 hours before the scheduled time of the commencement of the meeting.
- i) The Secured Creditors can opt for only one mode of voting i.e. either through (i) remote e-voting system or (ii) ballot / polling paper as arranged by the Applicant Transferee Company at the venue of the meeting. In case Secured Creditors cast their votes by more than one means of voting, then voting will be counted in the following sequence of priority, namely, (i) Remote e-voting or (iii) Ballot / Polling Paper as arranged at the venue of the meeting, as may be applicable.
- j) Secured Creditors are requested to hand over the enclosed Attendance Slip, duly filled and signed in accordance with their specimen signature(s) registered with the Company for admission to the venue of the meeting.
- k) The Notice convening the aforesaid meeting will be published through advertisement in Indian express, Ahmedabad edition in the English language and Sandesh, Ahmedabad edition in the Gujarati language.
- l) The quorum of the Meeting of the Secured Creditors of Bodal shall be 2 (Two).
- m) Mr. Tapan Shah, Practicing Company Secretary (FCS : 4476; CP No. 2839) has been appointed as the scrutinizer to scrutinize the voting through ballot / polling paper during the Meeting and remote e-voting process in a fair and transparent manner;
- n) The scrutinizer will submit his report to the Chairman or a person authorized by him, after the completion of scrutiny. The result would be intimated to the CDSL and Stock Exchanges where the Company's securities are listed, and displayed on the Company's website www.bodal.com along with the Scrutinizer's report within 48 hours from the conclusion of the meeting and on the website of CDSL at www.evotingindia.com besides being communicated to BSE Limited and the National Stock Exchange of India Limited;
- o) The material documents, referred to in the Explanatory Statement will be available for inspection at the registered office of the Company during working hours on all working days from the date of dispatch of the Notice upto the date of the meeting.
- p) In case of queries or grievances pertaining to remote e-voting procedure, members may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting manual, available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or may contact at telephone no. 022-23023333 or toll free no. 1800225533

Voting by electronic means (remote e-voting):

Remote E-Voting Process – Secured creditors

Step 1	Open your web browser during the voting period and log on to the e-voting website: www.evotingindia.com
Step 2	Click on “Secured Creditors” to cast your vote(s).
Step 3	Please enter your USER ID as printed on address sticker in case of physical copy and as mentioned in covering email in case of soft copy
Step 4	Please enter the Image verification as displayed and Click on Login.
Step 5	Please enter PASSWORD as printed on address sticker in case of physical copy and as mentioned in covering email in case of soft copy
Step 6	After entering these details appropriately, click on “SUBMIT” tab.
Step 7	Click on the EVSN for the “BODAL CHEMICALS LIMITED” on which you choose to vote
Step 8	On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO and click on SUBMIT. The option “YES” implies that you assent to the resolution and Option “NO”, implies that you dissent to the Resolution.
Step 9	Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire notice or resolution details.
Step 10	After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
Step 11	Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
Step 12	Secured creditors can also cast their vote using CDSL's mobile app “m-Voting” available for Apple, Android and windows based mobile. The m-Voting app can be downloaded from Google Play Store. Secured creditors

	may log in to m-Voting using their e-voting credentials to vote for the company resolution. Please follow the instructions as prompted by the mobile app while voting on your mobile.
Step 13	<p>Note for Non Individual Secured creditors:-</p> <ul style="list-style-type: none"> • Non-Individual Secured creditors are required to log on to https://www.evotingindia.com and register themselves as Corporates. • A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com. • After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) which they wish to vote on. • The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

Contact Details:

Company	BODAL CHEMICALS LIMITED Plot No. 123 and 124, Phase -1 GIDC, Vatva, Ahmedabad- 382445, Gujarat, India
Registrar & Share Transfer Agent	Link Intime India Pvt. Ltd 5th floor, 506 to 508, Amarnath Business Centre – (ABC-1) Beside Gala Business Centre, Near St. Xavier’s College Corner, Off, C G Road, Navarangpura, Ahmedabad – 380009, Tel No. +91 79 26465179 /86 / 87 Email Id: ahmedabad@linkintime.co.in ; Website : www.linkintime.co.in
E-Voting Agency	Central Depository Services (India) Ltd.
E-mail	helpdesk.evoting@cdslindia.com
Scrutinizer	Mr. Tapan Shah, Practising Company Secretary
Email	scrutinizer@tapanshah.in

EXPLANATORY STATEMENT PURSUANT TO SECTION 102, 230 AND 232 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE CALLING THE MEETING OF SECURED CREDITORS OF BODAL CHEMICALS LIMITED PURSUANT TO ORDER DATED 06TH JUNE, 2022 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH

1. Pursuant to the Order dated 06th June, 2022 passed by the Ahmedabad Bench of the Hon'ble National Company Law Tribunal ("NCLT" or "Tribunal"), Separate meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of Bodal Chemicals Limited, the Applicant Transferee Company, and a meeting of the unsecured creditors of SPS Processors Private Limited, the Applicant Transferor Company are being convened and will be held, for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation of S P S Processors Private Limited with Bodal Chemicals Limited and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("Act") (including any statutory modification or re-enactment or amendment thereof) read with the rules issued there under.
2. The definitions contained in the scheme will apply to this Explanatory Statement also.
3. A copy of the Scheme setting out in detail the terms and conditions of the arrangement, *inter alia*, providing for the proposed Scheme of Amalgamation of S P S Processors Private Limited with Bodal Chemicals Limited and their respective shareholders and creditors, which has been approved by the Board of Directors of both the Applicant Companies at their respective meetings held respectively on 18th November 2021 & 29th October 2021 is attached to this explanatory statement and forms part of this statement as **Annexure A**.

As stated earlier, NCLT by its said Order has, *inter alia*, directed that separate meetings of the concerned parties of the Applicant Companies shall be convened and held on the Thursday, 21st July 2022 as per the following schedule;

Type of the meetings	SPS Processors	Bodal Chemicals
Secured Creditors	Held to be not necessary.	11:00 a.m.
Unsecured Creditors	10:00 a.m.	12:00 noon
Equity Shareholders	Dispensation granted	1:00 p.m.

NCLT by its said Order has further directed to undertake vote in the said meetings through (i) remote e-voting system or (ii) ballot / polling paper at the meeting to be conducted.

In accordance with the provisions of Section 230-232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the concerned parties of the Applicant Companies, agree to the Scheme. Further, the Scheme shall be acted upon only if the number of votes cast by the public shareholders in favor of the Scheme are more than the number of votes cast by the public shareholders against it in terms of the SEBICircular;

The scrutinizer appointed for conducting remote e-voting and e-voting at the Meeting will however submit his separate report to the Chairman of the meetings or to the person so authorised by him after completion of the scrutiny of the remote e-voting and voting at the meeting cast by the concerned parties including public shareholders so as to announce the results of the remote e-voting and voting at the Meeting exercised by the concerned parties of Applicant Companies.

4. **Background of Bodal Chemicals Limited ("Transferee Company" or "Bodal") is as under:**
 - i. Bodal Chemicals Limited, (hereinafter referred to as 'BODAL' or 'the Applicant Transferee Company') is a listed public limited company incorporated on 24th September, 1986 under the Companies Act, 1956, in the name and style of Dintex Dyechem Private Limited, with the Registrar of Companies, Gujarat. The name of the company was changed to Dintex Dyechem Limited on 12th November 1992 and was further changed to Bodal Chemicals Limited vide certificate dated 22nd May 2006. The company became a public listed company from October, 1993. The shares of the company are listed on BSE Limited as well as National Stock Exchange of India Limited. The Registered Office of BODAL is situated at Plot No. 123-124, Phase-1, GIDC Estate, Vatva, Ahmedabad -382 445 in the state of Gujarat. The Applicant Transferee Company is engaged in the business of manufacturing as well as trading in all kinds of dyestuffs, dyes intermediates and basic and other chemicals etc; Company is also engaged in export and import of all such products. The CIN of the Company is L24110GJ1986PLC009003 and the Permanent Account Number of the Transferee Company is AAACD5352M. Email id of the Transferee Company is secretarial@bodal.com

- ii. The registered office of Bodal is currently situated at Plot No. 123-124, Phase-1, GIDC Estate, Vatva, Ahmedabad 382 445 in the state of Gujarat. There is no change in the registered office of the Transferee Company in last five years.
- iii. The details of the Authorized, Issued, Subscribed and Paid-up share capital of Bodal as on 1st April, 2021 is as under:

Particulars	Amount in Rs.
Authorised	
21,00,00,000 equity shares of Rs. 2/- each	42,00,00,000
2,75,00,000 preference shares of Rs. 10/- each	27,50,00,000
Total	69,50,00,000
Issued Subscribed & Paid-up	
12,23,30,165 equity shares of Rs. 2/- each fully paid-up	24,46,60,330
Total	24,46,60,330

There is change in the capital structure of the company since the above referred date. The company has issued and allotted 1,51,500 equity shares under ESOP Scheme as on 24-06-2021. The Current capital structure is mentioned as on 31st March, 2022 is as under:

Particulars	Amount in Rs.
Authorised	
21,00,00,000 equity shares of Rs. 2/- each	42,00,00,000
2,75,00,000 preference shares of Rs. 10/- each	27,50,00,000
Total	69,50,00,000
Issued Subscribed & Paid-up	
12,24,81,665 equity shares of Rs. 2/- each fully paid-up	24,49,63,330
Total	24,49,63,330

The Equity Shares of Bodal are, at present, listed on the BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE').

- iv. The main object of Bodal is set out in the Memorandum of Association of the Applicant Transferee Company. The main objects are as under:
- To carry on the business of manufacturers, producers, processors, buyers, sellers, importers, exporters and/or otherwise dealers in fine chemicals, industrial and pure chemicals, organic and inorganic chemicals and allied products, perfumes, flavours, pure drug solvents, dyes and dyes intermediates, Synthetic Coal Tar Dyes, textile auxiliaries, Synthetic organics, heavy chemicals, alkalies, acids, chemical, industrial preparations, chemicals for plastic, pigment, varnishes, paints, dyes and colours, agrochemicals, petrochemicals, makers and dealers in preparatory formulations and articles of the above nature and of chemicals.*
 - To carry on the business of manufacturers, processors, importers, exporters and/or dealers in chemical dyes preparations required by different industries such as sugar tanning, textiles, metallurgical and process industries, proofing, materials, disinfectants, oils, cotton, woolen, jute, detergents, wetting out agents, soap tallow, gums, varnishes, synthetics, papers resins, catalytic agents, petro-chemicals and other petroleum products and articles and compounds.*
 - To carry on all or any business of buyers, sellers, exporters, importers, agents, distributors, traders and dealers and with petrochemicals and organometallic chemicals and chemical compounds of all kinds, synthetic chemicals, polymer chemical, rubber chemicals, agro chemicals, Industrial chemicals, fertilisers, manures, pesticides, insecticides, weedicides, rodenticides, finisicides and micro nutrients and elements, products, by products, derivatives, compounds, and mixtures thereof and all or any formulated compositions, consisting or partly consisting of one or more of the above items and all or any converted or fabricated products, articles and substances of any one or more of the items.*

3A. To carry on the business of manufacturers, producers, processors, buyers, sellers, importers, exporters and/or otherwise dealers in Gypsum/Plaster boards, plaster products, their accessories and its allied products such as perforated paper tapes, adhesives, flooring and roof tiles and other building materials.

v. Objects incidental or ancillary to the attainment of main objects:

To amalgamate with any other Company whose objects are or include objects similar to those of this Company whether by sale or purchase (for fully or partly paid up shares or otherwise) of the undertaking, subject to the liabilities of this or any such other Company as aforesaid with or without winding up or by sale or purchase (for fully or partly paid up shares or otherwise) of all of a controlling interest in the shares or stock of this or any other company as aforesaid or in any other manner as permissible under the Companies Act, 1956, the Monopolies and Restrictive Trade Practices Act, 1969 and such other legislation.

vi. **The details of Directors and Promoters and Promoter Group of Bodal along with their addresses as on 31st March, 2022, are as follows:**

Details of Directors of Bodal as on 31st March, 2022:

Sr. No.	Name of Directors	Designation	Address
1	Mr. Sureshbhai Jayantibhai Patel	Chairman and Managing Director	32, Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India
2	Mr. Bhavin Suresh Patel	Executive Director	32, Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India
3	Mr. Ankit Sureshbhai Patel	Executive Director	32, Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India
4	Mr. Rajarshi Ghosh	Director - HSE	D/58 Nirman Complex, R.C. Technical Road, Chanakyapuri, Ghatlodia, Ahmedabad-380 061
5	Ms. Neha Sunil Huddar	Independent Director	1602, Satguru Sharan 1, Chapekar Bandhu Marg, Mulund East Mumbai-400081, Maharashtra, India
6	Mr. Sunil Kanaiyalal Mehta	Independent Director	7, Basant Bahar Bungalow Bopal Ahmedabad 380058 Gujarat, India
7	Mr. Nalin Kumar	Independent Director	B- 1505 Ashok Towers Dr. S.S. Rao Marg, Parel Mumbai-400012, Maharashtra, India
8	Mr. Mayank Kulinchandra Mehta	Independent Director	A 203, Oberoi Exquisite, Oberoi Garden City, Goregaon East, Western Exp. Highway Mumbai, Maharashtra 400063

Details of Promoters and Promoter Group of Bodal as on 31st March, 2022

Sr.No.	Name of Promoter/ Promoter Group	Address
1	Sureshbhai Jayantibhai Patel	32, Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India
2	Bhavin Suresh Patel	32, Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India
3	Ankit Sureshbhai Patel	32, Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India
4	Meenaben Sureshbhai Patel	32, Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India
5	Ramesh Prabodhchandra Patel	14, Khushman Society, Gurukul Road, Memnagar, Ahmedabad
6	Rakeshbhai Ravjibhai Patel	B/12 Kumbhnath Soc, Ghodasar Maninagar, Ahmedabad 380008
7	Bansibhai Maganbhai Patel	11, Aksharbaug Soc. Maninagar Ahmedabad 380008
8	Ramesh Prabodhchandra Patel-HUF	14, Khushman Society, Gurukul Road, Memnagar, Ahmedabad
9	Shakuntala J Patel	470- East Main St Branford 6405 Ct, USA- 06405
10	Rameshbhai Dahyabhai Patel	236, Kent Rd, New Milford CT, USA- 06776

5. **Background of S P S Processors Private Limited ("Transferor Company" or "SPPL") is as under:**

i. S P S Processors Private Limited ("Transferor Company" or "SPPL"), was originally incorporated on 20th June, 2002 as a

private limited company under the provisions of the Companies Act, 1956 in the name and style of S P S Processors Private Limited with the Registrar of Companies, Gujarat. The registered office of the company was shifted from the “National Capital Territory (NCT) of Delhi” to the “State of Gujarat” pursuant to the order passed by the Regional Director Order dated 30th November, 2021 and the fresh certificate of incorporation consequent to change of registered office was issued by the Registrar of Companies, Gujarat on 14th December, 2021. The present Corporate Identification Number of the Company is U24100GJ2002PTC127990. The Permanent Account Number of SPPL is AAGCS9556C.

- ii. The registered office of SPPL is currently situated at Plot No 123 & 124, GIDC, Phase -1, Vatva, Ahmedabad – 382445.

The registered office of the company was shifted from the “National Capital Territory (NCT) of Delhi” to the “State of Gujarat” pursuant to the order passed by the Regional Director Order dated 30th November, 2021 and the fresh certificate of incorporation consequent to change of registered office was issued by the Registrar of Companies, Gujarat on 14th December, 2021.

- iii. **The details of the Authorized, Issued, Subscribed and Paid-up share capital of SPPL as on 1st April, 2021 is as under:**

Authorised Share Capital	Amount in `
1,65,000 Equity Shares of `100/- Each.	1,65,00,000
Total	1,65,00,000
Issued, Subscribed & Paid Up Share Capital	Amount in `
1,62,334 Equity Shares of `100/- Each fully paid up	1,62,33,400
Total	1,62,33,400

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

The Equity shares of SPPL are not listed on any of the stock exchanges.

- iv. **The main object of SPPL are set out in the Memorandum of Association asunder:**

1. *To carry on the business of manufacturers, producers, processors, buyers, sellers, importers, exporters and/or otherwise dealers in fine chemicals, industrial and pure chemicals, organic and inorganic chemicals and allied products, perfumes, flavours, pure drug solvents, dyes and dyes intermediates, Synthetic Coal Tar Dyes, textile auxiliaries, Synthetic organics, heavy chemicals, alkalies, acids, chemical, industrial preparations, chemicals for plastic, pigment, varnishes, paints, dyes and colours, agrochemicals, petrochemicals, makers and dealers in preparatory formulations and articles of the above nature and of chemicals.*
2. *To carry on the business of manufacturers, processors, importers, exporters and/or dealers in chemical dyes preparations required by different industries such as sugar tanning, textiles, metallurgical and process industries, proofing, materials, disinfectants, oils, cotton, woolen, jute, detergents, wetting out agents, soap tallow, gums, varnishes, synthetics, papers resins, catalytic agents, petro-chemicals and other petroleum products and articles and compounds.*
3. *To carry on all or any business of buyers, sellers, exporters, importers, agents, distributors, traders and dealers and with petrochemicals and organometallic chemicals and chemical compounds of all kinds, synthetic chemicals, polymer chemical, rubber chemicals, agro chemicals, Industrial chemicals, fertilisers, manures, pesticides, insecticides, weedicides, rodenticides, finisicides and micro nutrients and elements, products, by products, derivatives, compounds, and mixtures thereof and all or any formulated compositions, consisting or partly consisting of one or more of the above items and all or any converted or fabricated products, articles and substances of any one or more of the items.*
- 3A. *To carry on the business of manufacturers, producers, processors, buyers, sellers, importers, exporters and/or otherwise dealers in Gypsum/Plaster boards, plaster products, their accessories and its allied products such as perforated paper tapes, adhesives, flooring and roof tiles and other building materials.*

The main objects of the company has been changed by substituting old object clause “Clause III [A]” with new object clause “Clause III [A]” in Memorandum of Association by approval of shareholders of the company in the Extra-Ordinary General Meeting held on 17th September, 2021. and the fresh certificate of incorporation consequent to change of object clause was issued by the Registrar of Companies, Delhi on 13th October, 2021

- v. Bodal Chemicals Limited, the Transferee Company under the present scheme holds 70% of equity share capital of SPPL and hence SPPL is subsidiary company of Bodal.
- vi. **The details of Promoters and Directors of SPPL along with their addresses as on 31st March, 2022 are as**

follows: Details of Directors of the SPPL as on 31st March, 2022:

Sr. No.	Name of Directors	Designation	Address
1	Mr. Rakeshbhai Ravjibhai Patel	Director	C-1/12-B, Kumbhnath Society, Nr. Avkar Hall Maninagar Ahmedabad, Gujarat - 380008
2	Mr. Sunil Kanaiyalal Mehta	Independent Director	7, Basant Bahar Bunglow, Bopal, Ahmedabad, Gujarat, - 380058,
3	Mr. Dhwanik Kumar Rakeshbhai Patel	Director	C-1/12-B, Kumbhnath Society, near Navakar Hall, Maninagar, Ahmedabad, Gujarat – 380008,
4	Ms. Dhyanam Sunilkumar Vyas	Independent Director	L-5, Block 3/81, Shastrinagar, Naranpura, Ahmedabad-380013

Details of Promoters of SPPL as on 31st March, 2022:

Sr. No.	Name of Promoter / Promoter	Address
1	M/s. Bodal Chemicals Limited	Plot No 123 And 124 Phase -1 GIDC Vatva, Ahmedabad - 382445

6. Rationale and Salient Features of the Scheme:

a. Relationship between the companies:

SPPL (Transferor Company) is a subsidiary Company of Bodal (Transferee Company).

b. Rationale for the Scheme of Amalgamation:

- i. Enhanced The proposed amalgamation will offer an immense opportunity to consolidate the portfolio of brands and products that are relevant to the “chemical industry” under a single roof;
- ii. The proposed amalgamation will enable the merged entity to cater to the needs of entire value chain. This can have a better reach in terms of various customer base and will provide a stronger market position to the company;
- iii. The proposed amalgamation will result in operational synergies and efficiency for the merged entity. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
- iv. The Scheme would help in achieving synergies in business operations and streamlining the business activities for the Companies, combining the following activities which would result in significant growth in business: –
 - Material procurement and storage;
 - FG storage and dispatches;
 - Internal movement of materials;
 - Sharing of common utilities;
 - Re-distribution of marketing portfolios thereby reducing marketing and travelling costs;
- v. The Amalgamation of Transferor Company with the Transferee Company will result into enlarged combined assets base and will also provide an opportunity for the merged entity to leverage on such assets;
- vi. Greater integration and greater financial strength and flexibility for the Transferee Company, which would result in maximizing overall shareholders value, and will improve the competitive position of the merged entity;
- vii. The proposed amalgamation would help in enhancing the scale of operations, reduction in overheads, including administrative, statutory compliances, managerial and other expenditure, operational rationalization, organizational efficiency, and optimal utilization of resources by avoiding duplication of efforts; and
- viii. Taking into consideration the above synergies, the merged entity would result in better profitability and EBITDA margins, Accordingly the stronger financials will provide a better opportunity in terms of better trade credits, financial resources and in negotiations for prices and suppliers credit terms for the merged entity;

c) Salient features of the Scheme:

1. "Definitions:

1.2 "Appointed Date" means 1st April, 2021;

1.3 "Effective Date" means the date on which the last of conditions referred to in Clause 18 hereof have been fulfilled;

1.9 "Undertakings" means all the undertaking and entire business of the Transferor Company including, without limitation:

- (a) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, work-in-progress, present, future or contingent of whatsoever nature) of the Transferor Company, whether or not recorded in the books of accounts of the Transferor Company (including, without limitation, the freehold and leasehold properties of the Transferor Company), investments of all kinds (including but not limited to shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, including in subsidiaries, associates, joint ventures, whether in India or abroad), licenses, furniture, fixtures, machinery, office equipment, computers, fixed assets, current assets (including, without limitation, all inventories, stock-in-trade or stock-in-transit, supplies, finished goods, packaging items, wherever located), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and where-so-ever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
- (b) all permissions, approvals, consents, subsidies, privileges, permits, quotas, rights, claims, entitlements, refunds, registrations (including relating to sales tax, service tax, excise duty, value added tax (hereafter "VAT"), entry tax, octroi, Goods and Services Tax (hereafter "GST")), licenses (including all licenses, benefits and approvals relating to EXPORTS), clearances, exemptions, authorizations, no objection certificates, registrations, income tax benefits and exemptions, indirect tax benefits and exemptions (including, but not limited to credits in respect of income tax, sales tax, service tax, excise duty, VAT, turnover tax, GST, tax credits, tax refunds, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, security transaction tax, Minimum Alternate Tax (hereafter "MAT") credit, duty entitlement credit certificates), all other rights, benefits and Transferor Company Liabilities related thereto, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- (c) all contracts, agreements, concessions (of any nature and any rights therein or thereto or thereunder), memoranda of understanding, letters of intent, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, if any, whether written, oral or otherwise, to which the Transferor Company is a party to, or to the benefit of which the Transferor Company may be eligible;
- (d) all intellectual property rights of any nature whatsoever, books, records, files, papers, software licenses (whether proprietary or otherwise), and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company along with any and all goodwill of the Transferor Company;
- (e) right to any claim not presented or made by the Transferor Company in respect of refund of any tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any Law made by any Governmental Authority, and in respect of set-off, carry forward of accumulated losses, unabsorbed depreciation and MAT credit, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under and in accordance with any Law, whether in India, or anywhere outside India; and
- (f) all Liabilities of the Transferor Company, lien, security or Encumbrance in relation thereto, whether in Indian rupees

It is intended that the definition of 'Undertaking' under this Clause would enable the transfer of all property, assets, rights, duties, licenses of the Transferor Company and Transferor Company Liabilities into the Transferee Company pursuant to this Scheme

4. AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEE COMPANY

- 4.1 *Upon coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the entire Undertaking of the Transferor Company shall, pursuant to the sanction of the Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, be and stand transferred to and vested in and/ or deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, instrument, matter so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.*
- 4.2 *All the movable assets of the Transferor Company and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date. Such delivery shall be made on a date which shall be mutually agreed upon between the Transferor Company and the Transferee Company on or after the Effective Date.*
- 4.3 *Upon this Scheme becoming effective, the secured creditors of the Transferor Company and/or other holders of security over the properties of the Transferor Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferor Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Company with the Transferee Company, (a) the secured creditors of the Transferor Company and/or other holders of security over the properties of the Transferor Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets of the Transferor Company which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company and (b) the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferor Company and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company.*
- 4.4 *Upon the Scheme coming into effect and with effect from the Appointed Date, in respect of any assets of the Transferor Company other than those mentioned in Clause 4.2 above, including actionable claims, sundry debtors, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or kind or for value to be received and deposits, if any, with any person including any Governmental Authority, semi-Government, local and other authorities and bodies and customers, shall, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.*
- 4.5 *Upon the Scheme coming into effect and with effect from the Appointed Date, all immovable property (including but not limited to freehold and leasehold properties, and any work-in-progress) of the Transferor Company, and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company, without any act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay appropriate rent, rates, taxes and charges and fulfil all obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate Governmental Authorities and third parties pursuant to the sanction of the Scheme by the Tribunals and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. It is clarified that the Transferee Company shall be liable to pay the applicable stamp duty upon the order of the Tribunal sanctioning the scheme.*
- 4.6 *Upon coming into effect of the Scheme and with effect from the Appointed Date, all Transferor Company Liabilities, and duties and obligations of the Transferor Company, as on or after the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other Transferor Company Liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall, pursuant to the Tribunal Order(s) or such other Governmental Authority as may be applicable under the provisions of the Act, without*

any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the Transferor Company Liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

- 4.7 Without prejudice to the above provisions, upon the Scheme coming into effect and 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. For the avoidance of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligations, balances or other outstanding as between the Transferor Company inter-se and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 4.8 Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Appointed Date, all inter-se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Appointed Date, there will be no accrual of income or expense on account of any transactions, including inter-alia any transactions in the nature of sale or transfer of any goods, materials or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Appointed Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the Transferor Company and the Transferee Company.
- 4.9 Upon coming into effect of the Scheme, all taxes (including but not limited to income tax, sales tax, excise duty, service tax, VAT, GST) paid or payable by the Transferor Company in respect of their respective operations and/or the profits of businesses, on account of the Transferor Company and, in so far as it relates to tax payment whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the operations and/or the profits of the business after the Appointed Date shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 4.10 Upon coming into effect of the Scheme, all the profits or income, taxes (including any carry forward accumulated losses, unabsorbed depreciation, advance tax, tax deducted at source, foreign tax credit and MAT credit as per applicable tax laws) or any costs, charges, expenditure accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purposes be treated and deemed to be and accrue from the Appointed Date as the profits or income, taxes (including any carry forward of accumulated tax losses, unabsorbed depreciation, advance tax, tax deducted at source, foreign tax credit, MAT credit in terms of applicable tax laws), costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 4.11 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme and with effect from the Appointed Date, in accordance with the provisions of relevant Laws, consents, approvals, permissions, all licenses including EPCG licenses, UPPCB Licenses, GPCB Licenses, SIA licenses and approvals, registrations, certificates, grants, concessions, authorities (including for the operation of bank accounts and demat accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company, and the rights and benefits and liabilities under the same shall, in so far as they relate to the Transferor Company and all quality certifications and approvals, permits, quotas, rights, entitlements, tenancies, immovable properties, patents and domain names, copyrights, brands, trade secrets, product registrations and other intellectual and industrial property and all other interests relating to the goods or services being dealt with by the Transferor Company, shall without any further act or deed be transferred to and vested in the Transferee Company under the same terms and conditions as were applicable to the Transferor Company immediately prior to the coming into effect of this Scheme. In so far as the various incentives, sales tax, deferral benefits, subsidies (including applications for subsidies), available tax credits (including MAT credit, if any), rehabilitation schemes, grants, permissions, approvals, sanctions, remissions, special reservations, income tax benefits and exemptions, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, concessions, special status and other benefits or privileges enjoyed, granted by any person (including any Governmental Authority), or availed of or to be availed of by the Transferor Company is concerned, the same shall, without any further act or deed, in so far as they relate to the Transferor Company, vest with and be available to the Transferee Company on the same terms and conditions as were applicable immediately prior to the coming into effect of this Scheme. The Transferee Company may apply for the endorsement of the Governmental Authorities as may be required under Applicable Law and shall file the relevant intimations, if any, for the record of the Governmental Authorities who shall take them on file, pursuant to the Scheme coming into effect.
- 4.12 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the

Tribunal Order(s) and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.

- 4.13 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 4.14 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 and till such time the name 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, deposit slips, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. 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.

6. LEGAL PROCEEDINGS

- 6.1 If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the “**Legal Proceedings**”) by or against the Transferor Company are pending on the Effective Date, the same shall not abate / be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme, but on and from the Effective Date, the Legal Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.
- 6.2 It is clarified that until this Scheme comes into effect, the Transferor Company shall in consultation with the Transferee Company continue and enforce the Legal Proceedings whether pending or initiated pending the coming into effect of this Scheme.

11. DISSOLUTION OF THE TRANSFEROR COMPANY

- 11.1 On the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up without any further act by the Transferor Company and the Transferee Company.
- 11.2 On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the RoC. The Transferee Company shall make all necessary filings in this regard.
- 11.3 Any obligations or steps which need to be undertaken by the Transferor Company pursuant to the sanction of this Scheme shall be fulfilled by the Transferee Company.

12. CONSIDERATION

- 12.1 Upon coming into effect of this Scheme, the Equity shares held by the Transferee Company in the Transferor Company shall stand automatically cancelled with effect from the Effective Date without any further application, act or deed and no new shares in form of consideration shall be issued against the same.
- 12.2 The Transferee Company shall without any further application, act, instrument or deed, issue and allot to each shareholder of the Transferor Company whose name is recorded in the register of members of the Transferor Company on the Record Date, subject to clause 12.1 hereinabove, in the following Ratio (“**Share Entitlement Ratio**”):

“61(Sixty One) fully paid Equity shares of Rs.2/- (Rupees Two only) each of the Transferee Company for every 01 (One) fully paid Equity shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company.”

- 12.3 The Share Exchange Ratio has been arrived at on basis of the valuation report of Mr. Pinakin Shah, a Registered Valuer. The Fairness Opinion for the same has been obtained from M/s TIPSONS CONSULTANCY SERVICES PVT. LTD. The said Valuation Report have been duly considered by the Board of Directors of the Transferee Company and the Transferor Company.

- 12.4 The shares to be issued and allotted by the Transferee Company in terms of Clause 12.2 above shall be subject to the provisions of the Memorandum and Articles of association of the Transferee Company and shall rank paripassu in all respects with the existing shares of Transferee Company.
- 12.5 Upon the Scheme being effective and upon the shares of the Transferee Company being issued to the shareholders of the Transferor Company, the Shares held in the Transferor Company shall stand cancelled.
- 12.6 The issue and allotment of shares by the Transferee Company to the equity shareholders of the Transferor Company as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out without any further act or deed by Transferee Company as if the procedure laid down under Section 62(1)(c) of the Act and any other applicable provisions were duly complied with.
- 12.7 The equity shares issued by the Transferee Company shall be listed and admitted to trading on the Stock Exchanges i.e. NSE and BSE, pursuant to this Scheme and in compliance with the applicable regulations and the applicable SEBI circulars. The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of SEBI circular and Applicable Law and take all steps to procure the listing of the equity shares issued by it.

13. ACCOUNTING TREATMENT

- 13.1 The amalgamation of the Transferor Company with the Transferee Company shall be accounted for in the books of account of the Transferee Company in accordance with 'Pooling of Interest Method' of accounting prescribed under Appendix C as per Indian Accounting Standard (In AS) 103- "Business Combinations" prescribed under Section 133 of the Act read with the relevant rules issued thereunder, relevant clarifications issued by the IND AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India and other generally accepted accounting principles.
- 13.2 With effect from appointed date and upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under:
- (i) The Transferee Company shall record all the assets including intangible assets recorded in the books of the Transferor Company and liabilities of the Transferor Company, including reserves shall stand transferred to the Transferee Company, and shall be recorded in the books of account of the Transferee Company at their carrying amounts as appearing in the consolidated financial statements of the Transferee Company as required by Appendix C of Ind AS 103 and relevant guidance available.
 - (ii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements.
 - (iii) As stated in Clause 12.1 of the proposed scheme, the issued, subscribed and paid up Equity share capital of Transferor Company held by Transferee Company, and the investments in the shares of the Transferor Company appearing, inter alia, in the books of account of the Transferee Company shall stand automatically cancelled.
 - (iv) The balance of the retained earnings in the books of account of the Transferor Company shall be aggregated with the corresponding balance of retained earnings of the Transferee Company.
 - (v) The identity of the reserves standing in the books of account of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company. As a result of preserving the identity, reserves which are available for distribution as dividend before the amalgamation would also be available for distribution as dividend after the amalgamation.
 - (vi) The surplus/ deficit, if any, of the net value of assets, liabilities and reserves of the Transferor Company acquired and recorded by the Transferee Company in terms of Clause 13.2 (i) over the sum of (a) the face value of the new shares issued and allotted pursuant to Clause 12.2; and (b) the value of investments cancelled if any pursuant to Clause 13.2 (iii) shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.
 - (vii) The inter-company deposits, loans & advances and other balances, if any, in the books of the account of the Transferee Company and the Transferor Company shall stand discharged and come to an end and the same shall be eliminated by giving appropriate elimination effect in the books of account and records of the Transferee Company.
- 13.3 In case there is any difference in the accounting policies adopted by the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference will be quantified and adjusted in the Opening Other Equity of previous period to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

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

- 15.1 *As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorized share capital of the Transferor Company, as indicated in Clause 3.1 of the Scheme, viz. Rs. 1,65,00,000/- only; shall be deemed to be combined with the authorized share capital of the Transferee Company (reclassified in case of Equity Shares by reducing face value to Rs. 2/- (Rupees Two) per share from existing face value of Rs. 100/- (One Hundred) per share), without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to the RoC and the stamp duty and fees paid by the Transferor Company on its authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme.*
- 15.2 *Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, stand altered, modified and amended pursuant to Sections 13, 61 and 62 of the Act and other applicable provisions of the Act, as the case may be and be replaced accordingly.*
- 15.3 *It is clarified that the approval of the Scheme by the members of the Transferee Company shall be deemed approval of the alteration of the memorandum and articles of association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Act, and Clause V of the memorandum of association of the Transferee Company and Article 3 of the articles of association of the Transferee Company shall stand amended accordingly.”*

THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF AMALGAMATION, THE SECURED CREDITORS OF THE APPLICANT TRANSFEE COMPANY ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF AMALGAMATION TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.

7. Board Meeting, Valuation Report and Fairness Opinion:

- a. The Transferor Company and the Transferee Company originally approved the Scheme of Amalgamation at the respective meetings of the Board of Directors on 21st October, 2021 and 29th October, 2021, respectively. Further, Bodal being listed company applied to the Stock Exchanges for approval of the Scheme as per the SEBI regulations. Based on directions received from BSE Limited (Designated Stock Exchange) and National Stock Exchange of India Limited, the revised Scheme was placed before the Board of Transferor Company for approval on 18th November, 2021.
- b. In accordance with the provisions of SEBI Circular, the Audit Committee of Bodal (“Audit Committee”) at its meeting held on 29th October, 2021, recommended the Scheme to the Board of Directors of Bodal, inter alia, taking into account;
 - i. The Share Exchange Valuation Report issued by M/s Pinakin Shah, Registered valuer having IBBI Registration No. IBBI/RV/05/2019/10728 as on 29th October, 2021 for issue of shares pursuant to the Scheme;
 - ii. The Fairness Opinion issued by M/s. Tipsons Consultancy Services Pvt. Ltd. dated 29th October, 2021 on the Share Exchange Ratio.
- c. The proposed Scheme was placed before the Audit Committee meeting of Bodal held on 29th October, 2021 for consideration and on receipt of the recommendation of the Audit Committee; the said report was placed before the Board of Directors of Bodal.
- d. The Valuation Report issued by M/s Pinakin Shah, Registered valuer dated 29th October, 2021 and Fairness Opinion issued by M/s. Tipsons Consultancy Services Pvt. Ltd. dated 29th October, 2021 are enclosed as **Annexure B** and **Annexure C**, respectively, to this Notice.
- e. The meeting of the Board of Directors of Bodal, held on 29th October, 2021, was attended by all the Directors. No director was absent from the meetings. None of the directors of the Transferee Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors, who attended the meeting.
- f. The meeting of the Board of Directors of SPPL, held 18th November, 2021 was attended by all the directors. No director was absent from the meetings. None of the directors of SPPL who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors, who attended the meeting.

8. Submissions, Approvals and Other Information:

- a. BSE Limited was appointed as the designated stock exchange by Bodal for the purpose of coordinating with the Securities and Exchange Board of India (“SEBI”), pursuant to Circular No. CFD/DIL3/CIR/2017/21 dated 10th day of March 2017, as amended from time to time (the “SEBI Circular”) issued by SEBI.
- b. Bodal has received Observation Letter from BSE Limited dated 10th February, 2022 and the National Stock Exchange of India Limited dated 11th February, 2022 stating their No Adverse observation to the Scheme. Copy of the Observation Letter is enclosed as **Annexure D**, to this Notice.
- c. As required by the SEBI Circular, Bodal has filed the Complaints Report with The National Stock Exchange of India Limited on 16th December,2021 and with BSE Limited on 25th December, 2021. After filing of the Complaints Report, Bodal has received NIL complaints. A copy of the aforementioned Complaints Report is enclosed as **Annexure E** to this Notice.
- d. The Application has been filed jointly by both the Applicant Companies, viz. S P S Processors Private Limited (Transferor Company) and Bodal Chemicals Limited (Transferee Company) before the Ahmedabad Bench of the National Company Law Tribunal for the sanction of the Scheme under Section 230 read with Section 232 of the Companies Act, 2013.

9. Directors, Promoters and Key Managerial Personnel:

- a) The Directors of all the Transferor Company and Transferee Company may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the companies, or to the extent the said Directors are common Directors in the companies, or to the extent the said Directors are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust, that hold shares in any of the Companies.
- b) Key Managerial Personnel (KMPs) other than Directors and their relatives may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme.
- c) Save as aforesaid, none of the Directors and KMPs of the Transferor Company and the Transferee Company and their relatives have any material concern or interest, financial and / or otherwise in the Scheme except, Mr. Sunil K. Mehta, who is common director (Independent Director) in both the Company.
- d) In compliance with the provisions of Section 232(2)(c) of the Act, the Board of directors of both the Transferor and Transferee Companies in their separate meetings held on 18th November, 2021 and 29th October, 2021 respectively, have adopted a report, inter alia, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders amongst others. Copy of the reports adopted by the respective Board of Directors of the Transferor Company and the Transferee Company are enclosed as **Annexure F**.
- e) The details of the present Directors and Key Managerial Personnel (KMPs) of Transferee Company, Transferor Company, their respective shareholdings in Transferee Company, Transferor Company are as follows:

Extent of shareholding of Directors and KMPs of Bodal and their respective holding in the Bodal and SPPL the as on 31st March, 2022 are as follows:

Name of the Director	Designation	Address	No of equity shares held in Bodal	No of equity shares held in SPPL
Mr. Sureshbhai Jayantibhai Patel	Chairman and Managing Director	32,Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India	3,71,12,857	----
Mr. Bhavin Suresh Patel	Executive Director	32,Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India	1,04,96,342	----
Mr. Ankit Sureshbhai Patel	Executive Director	32,Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India	72,61,072	----

Ms. Neha Sunil Huddar	Independent Director	1602, Satguru Sharan 1, Chapekar Bandhu Marg, Mulund East Mumbai-400081, Maharashtra, India	1,000	----
Mr. Sunil Kanaiyalal Mehta	Independent Director	7, Basant Bahar Bunglow Bopal Ahmedabad 380058 Gujarat, India	2,00,000	----
Mr. Nalin Kumar	Independent Director	B- 1505 Ashok Towers Dr. S.S. Rao Marg, Parel Mumbai-400012, Maharashtra, India	----	----
Mr. Mayank Kulinchandra Mehta	Independent Director	A 203, Oberoi Exquisite, Oberoi Garden City, Goregaon East, Westren Exp.Highway Mumbai, Maharashtra 400063	----	----
Mr. Rajarshi Ghosh	Director-HSE	D/58 Nirman Complex, R.C.Technical Road, Chanakyapuri, Ghatlodia, Ahmedabad-380 061	----	----
Mr. Mayur Padhya	Chief Financial officer (CFO)	67 Suramya Bunglow Science City Rd Sola Ahmedabad 380060	1,91,750	----
Mr. Ashutosh Bhatt	Company Secretary (CS)	C-101, Parimal Exotica, Nav Yug School Road, Naroda, Ahmedabad-382339	1,000	----

Extent of shareholding of Directors and KMPs of SPPL and their respective holding in the Bodal and SPPL as on 31st March, 2022 are as follows:

Name of the Director	Designation	Address	No of equity shares held in Bodal	No of equity shares held in SPPL
Mr. Rakeshbhai Ravjibhai Patel	Director	C-1/12-B, Kumbhnath Society, Nr. Avkar Hall Maninagar Ahmedabad, Gujarat - 380008	44,442	----
Mr. Sunil Kanaiyalal Mehta	Independent Director	7, Basant Bahar Bunglow, Bopal, Ahmedabad, Gujarat, - 380058,	2,00,000	----
Mr. Dhwanik Kumar Rakeshbhai Patel	Director	C-1/12-B, Kumbhnath Society, near Navakar Hall, Maninagar, Ahmedabad, Gujarat - 380008,	----	----
Mr. Dhyanam Sunilkumar Vyas	Independent Director	L-5, Block 3/81, Shastrinagar, Naranpura, Ahmedabad-380013	----	----

f) Extent of holding of Promoters and Promoter Group in the Transferee Company and Transferor Company

Extent of shareholding of the Promoters and Promoter Group of Bodal in the Bodal and SPPL as on 31st March, 2022 are as follows:

Sr. No	Name	Address	No of equity shares held in Bodal	No of equity shares held in SPPL
1	Sureshbhai Jayantibhai Patel	32,Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India	3,71,12,857	---
2	Bhavin Suresh Patel	32,Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India	1,04,96,342	---
3	Ankit Sureshbhai Patel	32,Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India	72,61,072	---
4	Meenaben Sureshbhai Patel	32,Basant Bahar, Nr. Stearling Club Bopal, Ahmedabad 380058, Gujarat, India	52,28,960	---
5	Ramesh Prabodhchandra Patel	14, Khushman Society, Gurukul Road, Memnagar, Ahmedabad	3,85,299	---
6	Rakeshbhai Ravjibhai Patel	B/12 Kumbhnath Soc, GhodasarManinagar, Ahmedabad 380008	44,442	---
7	Bansibhai Maganbhai Patel	11, Aksharbaug Soc. Maninagar Ahmedabad 380008	31,680	---
8	Ramesh Prabodhchandra Patel HUF	14, Khushman Society, Gurukul Road, Memnagar, Ahmedabad	24,390	---
9	Shakuntala J Patel	470- East Main St Branford 6405 Ct, USA- 06405	66,64,740	---
10	Rameshbhai Dahyabhai Patel	236, Kent Rd,New Milford CT, USA- 06776	49,45,880	---

Extent of shareholding of the Promoters and Promoter Group of SPPL in the Bodal and SPPL as on 31st March, 2022 are as follows:

Sr. No	Name	Address	No of equity shares held Bodal	No of equity shares held in SPPL
1	M/s. Bodal Chemicals Limited	Plot No 123 And 124 Phase -1 GIDC Vatva, Ahmedabad - 382445	NA	113634

g) The pre and post Scheme (expected) shareholding pattern of the Bodal as on 31st March, 2022 is as under:

Sr. No.	Description	Pre scheme shareholding pattern (As on 31/03/2022)		Post scheme shareholding pattern	
		Number of Shares Held	% of Share Capital	Number of Shares Held	% of Share Capital
(A)	PROMOTER				
(1)	Indian				
(a)	Individuals / Hindu Undivided Family	60585042	49.46	60585042	48.29

(b)	Central Government/ State Government(s)	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-
(d)	Any Other	-	-	-	-
	Sub-Total A(1):	60585042	49.46	60585042	48.29
(2)	Foreign				
(a)	Individuals (NRI/ Foreign Individuals)	11610620	9.26	11610620	9.26
(b)	Government	-	-	-	-
(c)	Institutions	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-
(e)	(Any Other) - Bodies Corporate	-	-	-	-
	Sub-Total A(2):	11610620	9.26	11610620	9.26
	Total A=A(1)+A(2)	72195662	58.94	72195662	57.55
(B)	PUBLIC SHAREHOLDING				
(1)	Institutions				
(a)	Mutual Funds / UTI	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-
(c)	Alternate Investment Funds	149200	0.12	149200	0.12
(d)	Foreign Venture Capital Investors	-	-	-	-
(e)	Foreign Portfolio Investors	3523462	2.88	3523462	2.81
(f)	Financial Institutions / Banks	11000	0.01	11000	0.01
(g)	Insurance Companies	4000	0.00	4000	0.00
(h)	Provident Funds/ Pension Funds	-	-	-	-
(i)	Any other - FII	-	-	-	-
	Sub-Total B (1):	3687662	3.01	3687662	2.94
(2)	Central/State Govt(s)/ President of India	7525	0.01	7525	0.01
	Sub-Total B (2):	7525	0.01	7525	0.01
(3)	Non-Institutions				
(a)	Individual shareholders holding shares upto nominal value of Rs. 2	26822918	21.90	26823528	21.38
(b)	Individual shareholders holding shares in excess of nominal value of Rs. 2 Lakhs	5766810	4.71	8736900	6.96
(c)	NBFCs registered with RBI	3000	0.00	3000	0.00
(d)	Employee Trusts	-	-	-	-
(e)	Overseas Depositories(holding DRs)	-	-	-	-
(f)	Any Other				
	- Bodies Corporate	2623908	2.14	2623908	2.09
	- Non Resident Indians	1185988	0.97	1185988	0.95
	- Clearing Member	405604	0.33	405604	0.32
	- Body Corp - LLP	7066522	5.77	7066522	5.63
	- IEPF	684116	0.56	684116	0.55
	- HUF	2031950	1.66	2031950	1.62
	Sub-Total B (3):	46590816	38.04	49561516	39.51
	Total B=B(1)+B(2)+ B(3):	50286003	41.06	53256703	42.45
	Total (A+B):	122481665	100.00	125452365	100.00

The pre Scheme equity shareholding pattern of the SPPL as on 31st March,2022 is as under:

Category of Equity Shareholder	No. of Equity	% of equity
Promoters		
Bodal Chemicals Limited	113634	70.00
Public	48700	30.00
Total	162334	100.00

The post scheme shareholding pattern of the SPPL would not be applicable as the SPPL would stand dissolved upon the scheme

being effective.

h) Capital Structure of the Bodal - Pre and Post Scheme (Expected):

i. Pre and Post Scheme capital structure of the Applicant Transferee Company is follows:

Description	Pre-Scheme as on 31/03/2022		Post-Scheme	
	No. of Shares	Amount`	No. of Shares	Amount`
Authorized Share Capital:				
Equity Shares of ₹2/- each	21,00,00,000	42,00,00,000	21,82,50,0000	43,65,00,000
Preference Shares of ₹10/- each	2,75,00,000	27,50,00,000	2,75,00,000	27,50,00,000
Total	----	69,50,00,000	----	71,15,00,000
Issued, Subscribed and Fully paid up Equity Share				
Equity Shares of ₹2/- each	12,24,81,665	24,49,63,330	12,54,52,365	25,09,04,730

- ii. Pre Scheme capital structure of the SPPL is mentioned in point no. 5 of this Explanatory Statement.
- iii. Post Scheme capital structure of the SPPL would not be applicable as the Company stand dissolved upon the scheme being effective.

- 10. The copy of the proposed Scheme is being filed by the Companies before the concerned Registrar of Companies.
- 11. Audited Standalone and consolidated financial results of the Bodal Chemicals Limited and Audited financial statements of S P S Processors Private Limited as on 31st March 2022 along with Audit report thereon are enclosed as **Annexure G** to this Notice.
- 12. In terms of SEBI Circular, the applicable information of the Transferor Company in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 is enclosed as **Annexure H** to this Notice.
- 13. **Explanatory statement disclosing details of the scheme of compromise or arrangement including**

a) In case of Amalgamation,

- i) Appointed Date is 1st April, 2021
- ii) Effective Date is the date on which the last of conditions referred to in Clause 18 of the scheme have been fulfilled.

b) Share entitlement ratio (if applicable) and other considerations, if any:

61 (Sixty One) New Equity Shares of ₹2/- (Rupees Two only) each credited as fully paid-up of the Bodal to be issued for every 1 (One) fully paid equity share of the face value of ₹100/- (Rupees One Hundred only) each held by the shareholders (other than the Transferee Company itself) in the SPPL.

c) Summary of Valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at registered office of the Company

The Share Exchange Ratio has been arrived at on the basis of a equity valuation of the Transferor Company and the Transferee Company based on the various methods as described in Valuation Report.

Valuer, as considered appropriate, have independently applied methods and arrived at their assessment of value per share of the Transferor Company and the Transferee Company to arrive at the consensus on the Fair Exchange Ratio for the proposed merger.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined in the Valuation Report, the Fair Exchange Ratio for the proposed merger has been arrived at.

In case of the Transferee Company, refer **Annexure B** for Valuation Report; and **Annexure C** for fairness opinion. The same is available for inspection at the Registered Office of the Company on all working days, (except Saturday and Sunday)

during business hours between 11.00 a.m. to 1:00 p.m. up to one day prior to the date of the meeting.

Valuation report obtained by Transferor Company is available for inspection at the Registered Office of the Transferor Companies on all working days, (except Saturday and Sunday) during business hours between 12:00 Noon to 1:00 P.M up to one day prior to the date of the meeting.

d) Details of capital or debt restructuring, if any – Nil

e) Amounts due to unsecured creditors (as on 31st March, 2022)

Bodal ₹ 3,345.48 Million

SPS ₹ 1,674.33 Million

14. Disclosure about effect of the compromise or arrangement on:

Sr. No.	Particulars	Bodal chemicals Limited	S P S Processors Private Limited
A	Key Managerial Personnel (KMP) (other than	No Effect	Shall cease to be KMPs
B	Directors	No Effect	Shall cease to be Directors
C	Promoters	Upon effectiveness of the Scheme, the shareholding % of the promoters in the paid-up equity share capital of Bodal shall stand decreased as per Share Exchange Ratio.	Shareholdings of the promoter - Bodal shall be cancelled.
D	Non-promoter members	Only to the extent of their shareholding in the Transferee Company	Direct shareholding to Non promoter members in the Transferee Company as per Share Exchange Ratio
E	Depositors	No Effect as none of the Companies have accepted any deposits	
F	Creditors	No Effect	Creditors, if any, of Transferor Company shall become the creditors of the Transferee Company and paid off in the ordinary course of business. Inter-company creditors, if any, would get cancelled.
G	Debenture holders	No Effect as none of the Companies have issued any debentures	
H	Deposit trustee and debenture trustee	No Effect as none of the Companies have any Deposit trustees or Debenture trustees.	
I	Employees of the company	No adverse effect	No adverse effect as employees of Transferor Company as on effective date will become employees of the Transferee Company

15. There are no investigation or proceedings pending against the Bodal and SPPL.

16. Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of compromise or arrangement.

Notice under Section 230(5) of Companies Act, 2013 is being given to the Central Government, Registrar of Companies and Income Tax Authorities in respect of both the Companies.

Notice under Section 230(5) of Companies Act, 2013 is being given to the Reserve Bank of India, Stock Exchanges and SEBI in respect of the Transferee Company.

Notice under Section 230(5) of Companies Act, 2013 is being given to the Official Liquidator in respect of Transferor Company.

17. Details in compliance with the directions given by BSE and NSE vide their observation letter dated 10th February 2022 and 11th February 2022 respectively for the details pertaining to S P S Processors Private Limited. (as submitted to NCLT as part of Application.)

Background:

Bodal, the Transferee Company is inter alia engaged in the manufacturing as well as trading in all kinds of dyestuffs, dyes intermediates and basic and other chemicals etc; Company is also engaged in export and import of all such products. It is a listed public limited company. On the other hand, SPS Processors Private Limited, the Transferor Company was originally incorporated for the textile related activities. The original promoters had set up with H Acid Plant of 3,000 MTPA but could not run it profitably. The present management acquired 70% Stake in the Transferor company in March 2017.

Explanation for Negative Cashflow from operating activities of SPS:

The promoters of Bodal have expertise in the Dye Intermediate Segment being one of the largest manufacturers of the country. SPS already had all necessary permission to start Vinyl Sulphone (V.S) plant at the same location. As a result, soon after acquisition, the present management planned to add V. S Capacity of 6,000 MTPA. This was envisaged to be beneficial because part of effluents of H Acid can be used as raw material in V. S and vice versa. Hence, it was envisaged that it would result in cost saving to a substantial extent and make the said plant to have profitable operations. However, the company faced operational difficulties.

One of the essential raw material viz. Ethylene Oxide is very explosive in nature. The same was to be acquired from Reliance Industries located at Jamnagar and transport the same to the plant located in Uttar Pradesh. It was necessary to obtain specific permission and prepare a special tank for such transportation. The said process took a very long time and the commissioning of the said plant was delayed due to such operational problems. This resulted in negative cash flow for the financial years 2017-2018, 2019-2020 and 2020-2021. However, the said V.S. plant is now made operative since February 2022. Cost efficiency is expected with both the plants being operative and it is envisaged to lead to positive cashflow as well as profitability during coming financial years.

Increase in trade Receivables and DSO of SPS Processors Private Limited:

The business operations have been severely affected during last two financial years due to Covid Pandemic. The production and supply of material was adversely affected due to Lock Downs and payments were delayed due to cash crunch at the end of buyers. With an improved situation in the current scenario, the same shall get under control.

Increases in Losses for Last 3 financial Year and six months period ended on February 08, 2022.

As explained hereinabove, the plant of Vinyl Sulphone Ester couldn't be made operative in time due to various reasons. The fluctuating price of the raw material has further affected the turnover as well as profit margins. The pandemic situation adversely affected the business operations. All these factors had cumulative effect on the performance of the company. Since the V A plant is now made fully operative since February 2022 along with H Acid Plant, it is envisaged that the financial results shall improve substantially during the Financial Year 2022-23.

It is worth noting that the said company has not borrowed money from any Banks or Financial Institutions since its acquisition in 2017. The required funds have been provided by the Parent Company, viz. Bodal Limited and other related parties.

18. General:

- i. The rights and interests of the Equity Shareholders, Secured or Unsecured Creditors of Bodal and SPPL will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner.
- ii. There are no winding up proceedings pending against the Bodal as of date.
- iii. The following additional documents will be open for inspection to the secured creditors of the Bodal at its Registered Office between 11.00 am to 1.00 p.m. on all working days (except Saturday and Sunday) upto one day prior to the date of meeting:
 1. Audited Standalone and consolidated financial results of the Bodal Chemicals Limited and Audited financial statements of S P S Processors Private Limited as on 31st March 2022 along with Audit report thereon.
 2. Papers and proceedings in Company Application No. 21 of 2022 including certified copy of the Order of the

Ahmedabad Bench of the National Company Law Tribunal in the said Company Application directing the convening and holding of the meetings of the secured creditors of the Bodal;

3. Copy of the order passed by NCLT directing the Bodal to, inter alia, convene the meetings of its equity shareholders, secured creditors and unsecured creditors.
 4. Copy of Scheme of Amalgamation;
 5. Memorandum of Association and Articles of Association of the Bodal and SPPL.
 6. Valuation Report on Recommendation of Share Exchange Ratio dated 29th October, 2021 issued by M/s. Pinakin Shah, Registered Valuer having IBBI Registration No IBBI/RV/05/2019/10728;
 7. Fairness Opinion dated 29th October, 2021, issued by M/s. Tipsons Consultancy Services Pvt. Ltd, a SEBI Registered (Category - I) Merchant Banker having SEBI registration No. INM000011849;
 8. Observation Letter received from BSE Limited dated 10th February, 2022 and National Stock Exchange of India Limited dated 11th February, 2022;
 9. Copy of the Complaints Report dated 16th December, 2021 and 25th December, 2021 submitted by the Bodal Chemicals Limited to NSE and BSE respectively and also uploaded on Transferee Company's website;
 10. Audit Committee Report dated 29th October, 2021 of the Transferee Company;
 11. Copy of the Statutory Auditors' certificate dated 22nd November, 2021 issued by M/s. Deloitte Haskins & Sells LLP to the Transferee Company certifying that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013
 12. Copies of the resolutions passed by the Board of Directors of Transferor Company and Transferee Company dated 18th November, 2021 and 29th October, 2021 respectively, approving the Scheme.
 13. Copy of the Reports dated 18th November, 2021 and 29th October, 2021 adopted by the Board of Directors of the SPPL and Bodal respectively, pursuant to the provisions of Section 232(2)(c) of the Act.
 14. Any other information including documents submitted with the stock exchanges and contracts or agreements material to the compromise or arrangement
- iv. A copy of the Scheme, Explanatory Statement may be obtained free of charge on any working day (except Saturday and Sunday) from the Registered Office of Bodal or / and at the office of Advocates situated at Mrs. Swati Saurabh Soparkar, 301, Shivalik 10, Opp. SBI Zonal Office, S.M. Road, Ambawadi, Ahmedabad-380015, Gujarat, India.
- v. This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Section 102 and other applicable provisions of the Companies Act, 2013

Dated : 09th June, 2022

**Sd/- _____
Chairman appointed for the Meetings**

Registered Office: Plot No. 123 and 124, Phase -1 GIDC, Vatva, Ahmedabad- 382445, Gujarat, India

ANNEXURE - J
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SCHEME OF AMALGAMATION

OF

S P S PROCESSORS PRIVATE LIMITED

(Transferor Company)

WITH

BODAL CHEMICALS LIMITED

(Transferee Company)

**(UNDER SECTIONS 230 to 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013)**

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PREAMBLE

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I. DESCRIPTION OF THE COMPANIES:

- (a) Bodal Chemicals Limited (CIN:L24110GJ1986PLC009003) (hereinafter referred to as "**BODAL**" or "**Transferee Company**") is a public limited company incorporated under the Companies Act 1956 having its registered office at Plot No. 123-124, Phase-1, GIDC Estate, Vatva, Ahmedabad 382 445 in the state of Gujarat. The company is a listed Company with its shares listed on the National Stock Exchange India Limited (NSE) and the Bombay Stock Exchange Limited (BSE). The Transferee Company is *inter alia* engaged in the manufacturing as well as trading in all kinds of dvestuffs, dyes intermediates and basic and other chemicals etc; Company is also engaged in export and import of all such products.
- (b) S P S Processors Private Limited (CIN: U24100GJ2002PTC127990) (hereinafter referred to as "**SPPL**" or "**Transferor Company**") is a private Limited company incorporated under the Companies Act. 1956 having its registered office at Plot No. 123 & 124., GIDC, Phase- I, Vatva., Ahmedabad, Gujarat, 382445 in the state of Gujarat. The Transferor Company is presently engaged in the Manufacturing and trading of various kinds of dyes intermediates i.e. H acid and vinyl sulphone. It is a Subsidiary of Bodal Chemicals Limited, the Transferee Company, as 70 % of the Share Capital is held by the said Transferee Company. The Company has shifted its registered office from the state of Delhi to the State of Gujarat, as approved by the Regional Director, Northern Region, through its

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order dated 30th November.2021 and subsequently was registered with Registrar of Companies, Gujarat vide fresh certificate dated 14th December 2021.

II. FACTS, RATIONALE AND BENEFITS:

The Transferee Company is the holding company of the Transferor Company holding 70% of the share capital. The commercial activities of both the companies are similar in nature. It has been realised by the Board of Directors of both the companies that the amalgamation of both these companies shall be helpful to achieve the following objectives:-

- (i) The proposed amalgamation will offer an immense opportunity to consolidate the portfolio of brands and products that are relevant to the “chemical industry” under a single roof;
- (ii) The proposed amalgamation will enable the merged entity to cater to the needs of entire value chain. This can have a better reach in terms of various customer base and will provide a stronger market position to the company;
- (iii) The proposed amalgamation will result in operational synergies and efficiency for the merged entity. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;

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- (iv) The Scheme would help in achieving synergies in business operations and streamlining the business activities for the Companies, combining the following activities which would result in significant growth in business: –
- a) material procurement and storage;
 - b) FG storage and dispatches;
 - c) Internal movement of materials;
 - d) Sharing of common utilities;
 - e) Re-distribution of marketing portfolios thereby reducing marketing and travelling costs;
- (v) The Amalgamation of Transferor Company with the Transferee Company will result into enlarged combined assets base and will also provide an opportunity for the merged entity to leverage on such assets;
- (vi) Greater integration and greater financial strength and flexibility for the Transferee Company, which would result in maximizing overall shareholders value, and will improve the competitive position of the merged entity;
- (vii) The proposed amalgamation would help in enhancing the scale of operations, reduction in overheads, including administrative, statutory compliances, managerial and other expenditure, operational rationalization, organizational efficiency, and optimal utilization of resources by avoiding duplication of efforts; and

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(viii) Taking into consideration the above synergies, the merged entity would result in better profitability and EBITDA margins, Accordingly the stronger financials will provide a better opportunity in terms of better trade credits, financial resources and in negotiations for prices and suppliers credit terms for the merged entity.

The proposed Amalgamation shall not be prejudicial to the interest of the shareholders and shall not have any adverse impact on creditors and other stakeholders of the Transferor and Transferee Company.

1. **DEFINITIONS:**

In this Scheme unless the meaning or context otherwise requires (i) terms defined in the introductory paragraphs above shall have the same meanings throughout this Scheme; and (ii) the following words or expressions, wherever used, (including in the introductory paragraphs above) shall have the meanings set out below:

- 1.1 **“Act”** means the Companies Act, 2013, including any rules, regulations, circulars, directions or guidelines issued thereunder or any statutory modifications or re-enactments or amendments thereof from time to time;
- 1.2 **“Appointed Date”** means April 1, 2021;
- 1.3 **“Effective Date”** means the date on which the last of conditions referred to in Clause 18 hereof have been fulfilled;
- 1.4 **“Scheme of Amalgamation” or “this Scheme” or “the**

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Scheme means this Scheme of Amalgamation in its present form or with any modifications made under Clause 17 of the Scheme or any modifications approved or directed by the Tribunals or any other Governmental Authority;

1.5 **“Stock Exchanges”** means BSE Limited and National Stock Exchange of India Limited .

1.6 **“Transferee Company”** means Bodal Chemicals Limited a public limited company incorporated under the Companies Act, 1956, having its registered office at Plot No. 123-124, Phase-I, GIDC Estate, Vatva, Ahmedabad 382 445 in the state of Gujarat

1.7 **“Transferor Company”** means S P S Processors Private Limited, a private limited company incorporated under the Companies Act, 1956, having its current registered office at Plot No. 123 & 124,, GIDC, Phase- I, Vatva,, Ahmedabad, Gujarat, 382445 in the state of Gujarat.

1.8. **“Tribunal”** means National Company Law Tribunal, Ahmedabad Bench having jurisdiction in relation to the Transferee Company and subject to shifting of the registered office the Transferor Company to the state of Gujarat; for approving the scheme of arrangement, compromise or reconstruction of a company under Section 230 to 232 of the Act;

1.9. **“Undertaking”** means all the undertaking and entire business of the Transferor Company including, without limitation:

(a) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, work-in-progress, present, future or

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contingent of whatsoever nature) of the Transferor Company, whether or not recorded in the books of accounts of the Transferor Company (including, without limitation, the freehold and leasehold properties of the Transferor Company), investments of all kinds (including but not limited to shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, including in subsidiaries, associates, joint ventures, whether in India or abroad), licenses, furniture, fixtures, machinery, office equipment, computers, fixed assets, current assets (including, without limitation, all inventories, stock-in-trade or stock-in-transit, supplies, finished goods, packaging items, wherever located), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and where-so-ever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or

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granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;

(b) all permissions, approvals, consents, subsidies, privileges, permits, quotas, rights, claims, entitlements, refunds, registrations (including relating to sales tax, service tax, excise duty, value added tax (hereafter "**VAT**"), entry tax, octroi, Goods and Services Tax (hereafter "**GST**")), licenses (including all licenses, benefits and approvals relating to **EXPORTS**), clearances, exemptions, authorizations, no objection certificates, registrations, income tax benefits and exemptions, indirect tax benefits and exemptions (including, but not limited to credits in respect of income tax, sales tax, service tax, excise duty, VAT, turnover tax, GST, tax credits, tax refunds, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, security transaction tax, Minimum Alternate Tax (hereafter "**MAT**") credit, duty entitlement credit certificates), all other rights, benefits and Transferor Company Liabilities related thereto, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;

(c) all contracts, agreements, concessions (of any nature and any rights therein or thereto or thereunder), memoranda of understanding, letters of intent, other arrangements, undertakings, deeds, bonds, insurance covers and claims,

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clearances and other instruments of whatsoever nature and description, if any, whether written, oral or otherwise, to which the Transferor Company is a party to, or to the benefit of which the Transferor Company may be eligible;

(d) all intellectual property rights of any nature whatsoever, books, records, files, papers, software licenses (whether proprietary or otherwise), and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company along with any and all goodwill of the Transferor Company;

(e) right to any claim not presented or made by the Transferor Company in respect of refund of any tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any Law made by any Governmental Authority, and in respect of set-off, carry forward of accumulated losses, unabsorbed depreciation and MAT credit, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under and in accordance with any Law, whether in India, or anywhere outside India; and

all Liabilities of the Transferor Company, lien, security or Encumbrance in relation thereto, whether in Indian rupees

It is intended that the definition of 'Undertaking' under this Clause would enable the transfer of all property, assets, rights, duties, licenses of the Transferor Company and Transferor Company





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Liabilities into the Transferee Company pursuant to this Scheme.

1.10 **"SEBI"** means the Securities and Exchange Board of India established under the provisions of the Securities and Exchange Board of India Act

1.11 **"SEBI Circulars"** mean (i) Circular No. CFD/DIL3/CIR/2017/21 dated 10th March 2017, (ii) Circular No. CFD/DIL3/CIR/2017/26 dated 23rd March 2017, (iii) Circular No. CFD/DIL3/CIR/2017/105 dated 21st September 2017, (iv) Circular No. CFD/DIL3/CIR/2018/2 dated 3d January 2018 (v) Circular No. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated 12th September 2019, (vi) SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November 20 2020 and (vii) SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.

2. **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 Tribunal shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. **SHARE CAPITAL**

3.1. The share capital of the Transferor Company as on 01st April, 2021 is as under



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Particulars	Amount in Rs.
Authorised	
1,65,000 equity shares of ₹ 100/- each	1,65,00,000
Issued Subscribed & Paid-up	
1,62,334 equity shares of ₹ 100/- each fully paid-up	1,62,33,400
Total	162,33,400

There is no change in the capital structure of the company since the above referred date. The Transferee Company holds 1,13,634 Equity Shares amounting to 70% of the Issued, Subscribed and Paid up Capital as a Holding Company.

- 3.2. The share capital of the Transferee Company as on 01st April, 2021 is as under

Particulars	Amount in Rs.
Authorised	
21,00,00,000 equity shares of Rs. 2/- each	42,00,00,000
2,75,00,000 preference shares of Rs. 10/- each	27,50,00,000
Total	69,50,00,000
Issued Subscribed & Paid-up	
12,23,30,165 equity shares of Rs. 2/- each fully paid-up	24,46,60,330
Total	24,46,60,330

There is change in the capital structure of the company since the

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above referred date. The company has issued and allotted 1,51,500 equity shares under ESOP Scheme as on 24-06-2021. The Current capital structure is mentioned as below:.

as on 30th September, 2021 is as under:

Particulars	Amount in Rs.
Authorised	
21,00,00,000 equity shares of Rs. 2/- each	42,00,00,000
2,75,00,000 preference shares of Rs. 10/- each	27,50,00,000
Total	69,50,00,000
Issued Subscribed & Paid-up	
12,24,81,665 equity shares of Rs. 2/- each fully paid-up	24,49,63,330
Total	24,49,63,330

4. AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

- 4.1. Upon coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the entire Undertaking of the Transferor Company shall, pursuant to the sanction of the Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, be and stand transferred to and vested in and/ or deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, instrument,

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matter so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

4.2. All the movable assets of the Transferor Company and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date. Such delivery shall be made on a date which shall be mutually agreed upon between the Transferor Company and the Transferee Company on or after the Effective Date.

4.3. Upon this Scheme becoming effective, the secured creditors of the Transferor Company and/or other holders of security over the properties of the Transferor Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferor Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company. It is hereby





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clarified that pursuant to the amalgamation of the Transferor Company with the Transferee Company, (a) the secured creditors of the Transferor Company and/or other holders of security over the properties of the Transferor Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets of the Transferor Company which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company and (b) the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferor Company and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company.

4.4. Upon the Scheme coming into effect and with effect from the Appointed Date, in respect of any assets of the Transferor Company other than those mentioned in Clause 4.2 above, including actionable claims, sundry debtors, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or kind or for value to be received and deposits, if any, with any person including any Governmental Authority, semi-Government, local and other authorities and bodies and customers, shall, without any



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further act, instrument or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

4.5. Upon the Scheme coming into effect and with effect from the Appointed Date, all immovable property (including but not limited to freehold and leasehold properties, and any work-in progress) of the Transferor Company, and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company, without any act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay appropriate rent, rates, taxes and charges and fulfil all obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate Governmental Authorities and third parties pursuant to the sanction of the Scheme by the Tribunals and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. It is clarified that the Transferee Company shall be liable to pay the applicable stamp duty



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upon the order of the Tribunal sanctioning the scheme.

- 4.6. Upon coming into effect of the Scheme and with effect from the Appointed Date, all Transferor Company Liabilities, and duties and obligations of the Transferor Company, as on or after the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other Transferor Company Liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall, pursuant to the Tribunal Order(s) or such other Governmental Authority as may be applicable under the provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the Transferor Company Liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.
- 4.7. Without prejudice to the above provisions, upon the Scheme coming into effect and 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. For the avoidance of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligations, balances or other outstanding as between the Transferor Company inter-se and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall



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be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.

4.8. Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Appointed Date, all inter-se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Appointed Date, there will be no accrual of income or expense on account of any transactions, including *inter-alia* any transactions in the nature of sale or transfer of any goods, materials or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Appointed Date, there will be no accrual of interest or other charges in respect of any inter-se loans, deposits or balances between the Transferor Company and the Transferee Company.

4.9. Upon coming into effect of the Scheme, all taxes (including but not limited to income tax, sales tax, excise duty, service tax, VAT, GST) paid or payable by the Transferor Company in respect of their respective operations and/or the profits of businesses, on account of the Transferor Company and, in so far as it relates to tax payment whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the operations and/or the profits of the business after the Appointed Date shall be

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deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

4.10. Upon coming into effect of the Scheme, all the profits or income, taxes (including any carry forward accumulated losses, unabsorbed depreciation, advance tax, tax deducted at source, foreign tax credit and MAT credit as per applicable tax laws) or any costs, charges, expenditure accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purposes be treated and deemed to be and accrue from the Appointed Date as the profits or income, taxes (including any carry forward of accumulated tax losses, unabsorbed depreciation, advance tax, tax deducted at source, foreign tax credit, MAT credit in terms of applicable tax laws), costs, charges, expenditure or losses of the Transferee Company, as the case may be.

4.11. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme and with effect from the Appointed Date, in accordance with the provisions of relevant Laws, consents, approvals, permissions, all licenses including EPCG licenses, , UPPCB Licenses, GPCB Licenses, SIA licenses and approvals, registrations, certificates, grants, concessions, authorities (including for the operation of bank accounts and demat accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company, and the rights and benefits and liabilities under the same shall, in so far as they relate to the Transferor Company and all quality certifications and



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approvals, permits, quotas, rights, entitlements, tenancies, immovable properties, patents and domain names, copyrights, brands, trade secrets, product registrations and other intellectual and industrial property and all other interests relating to the goods or services being dealt with by the Transferor Company, shall without any further act or deed be transferred to and vested in the Transferee Company under the same terms and conditions as were applicable to the Transferor Company immediately prior to the coming into effect of this Scheme. In so far as the various incentives, sales tax, deferral benefits, subsidies (including applications for subsidies), available tax credits (including MAT credit, if any), rehabilitation schemes, grants, permissions, approvals, sanctions, remissions, special reservations, income tax benefits and exemptions, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, concessions, special status and other benefits or privileges enjoyed, granted by any person (including any Governmental Authority), or availed of or to be availed of by the Transferor Company is concerned, the same shall, without any further act or deed, in so far as they relate to the Transferor Company, vest with and be available to the Transferee Company on the same terms and conditions as were applicable immediately prior to the coming into effect of this Scheme. The Transferee Company may apply for the endorsement of the Governmental Authorities as may be required under Applicable Law and shall file the relevant intimations, if any, for the record of the Governmental Authorities who shall take them on file, pursuant to the Scheme coming into effect.

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4.12. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable and the same shall be considered as giving effect to the Tribunal Order(s) and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.

4.13. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this



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Scheme have been formally given effect to under such contracts and transactions.

4.14. 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 and till such time the name 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, deposit slips, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. 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.

5. **CONSEQUENTIAL TAX MATTERS**

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- 5.1. Upon the Scheme becoming effective, the Transferee Company shall have the right to revise their respective tax returns along with prescribed forms, filings and annexures under the IT Act (even in a case where the due date to revise the income tax returns have expired under the provisions of the IT Act), and laws in relation to the GST, central sales tax, applicable State VAT, entry tax, service tax, excise duty and other tax laws, and to claim refunds and/or credit for taxes paid (including advance tax, self assessment tax, tax deducted at source, MAT, foreign tax credit, dividend distribution tax, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme
- 5.2. All tax assessment/adjudication proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.
- 5.3. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 5.4. Any refund, under the IT Act and laws in relation to service tax, excise duty, central sales tax, applicable state VAT, entry tax,

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customs, foreign trade policy, GST, State industrial and incentive policies and schemes or other Applicable Laws or regulations dealing with taxes or duties or levies due to Transferor Company consequent to the assessment made on Transferor Company (including any refund for which no credit is taken in the accounts of the Transferor Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.

- 5.5. The tax payments (including, without limitation income tax, dividend distribution tax, service tax, excise duty, central sales tax, applicable state VAT, entry tax, customs, GST etc.) whether by way of tax deducted at source, advance tax or otherwise howsoever, by the Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 5.6. Further, any tax deducted at source by Transferor Company or the Transferee Company on transactions with the Transferee Company or the Transferor Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax / advance tax deducted at source paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly
- 5.7. Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.





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- 5.8. All intangible assets (including but not limited to goodwill) belonging to but not recorded in the books of account of the Transferor Company and all intangible assets (including but not limited to goodwill) arising or recorded in the process of the amalgamation in books of account of Transferee Company shall, for all purposes, be regarded as an intangible asset in terms of Explanation 3(b) to Section 32(1) of the IT Act and Transferee Company shall be eligible for depreciation on the same at the prescribed rates.
- 5.9. For the period after the Appointed Date, all its continued benefits, incentives, exemptions, concessions and other benefits or privileges enjoyed by the Transferor Company granted by any government body, regulatory authority, local authority, by any other person or law or availed of by the Transferor Company, the same shall without any other further act or deed shall vest with and be available to the Transferee Company on the same terms and conditions.
- 5.10. Without prejudice to the generality of the above, all benefits, incentives, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciation, credits (including, without limitation income tax, MAT, tax deducted at source, foreign tax credit, dividend distribution tax, wealth tax, service tax, excise duty, central sales tax, applicable state VAT, customs duty, foreign trade policy benefits, State industrial policy and incentive schemes, drawback, etc.) to which the Transferor Company is entitled to, shall be available to and vest in the Transferee Company, in terms of Applicable Laws, upon this Scheme

coming into effect.

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5.11. Upon the coming into effect of this scheme, all tax compliances under any tax laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company.

6. LEGAL PROCEEDINGS

6.1. If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "**Legal Proceedings**") by or against the Transferor Company are pending on the Effective Date, the same shall not abate / be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme, but on and from the Effective Date, the Legal Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

6.2. It is clarified that until this Scheme comes into effect, the Transferor Company shall in consultation with the Transferee Company continue and enforce the Legal Proceedings whether pending or initiated pending the coming into effect of this Scheme.

7. CONTRACTS, DEEDS, BONDS, APPROVALS AND OTHER INSTRUMENTS

7.1. For avoidance of doubt and without prejudice to the generality of

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Clause 4 above, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date and without any further act of the Transferor Company and the Transferee Company, all memoranda of understanding, contracts, no objection certificates, rights, consents, permissions, quotas, deeds, bonds, agreements, arrangements, mortgages, indemnity, incentives, engagements, registrations, schemes, assurances, licenses, insurance policies and claims, business claims, guarantees, powers of attorney, authorities given by, issued to or executed in favour of the Transferor Company, quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and other interests relating to the Undertaking and other instruments (including all tenancies, leases (other than leases entered into between the Transferor Company and the Transferee Company), and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be transferred to and vested in the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the rights and benefits under the same shall be available to the Transferee Company and, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, under the same terms and conditions, and may be enforced as fully and effectually as if, instead of the

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Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto.

7.2. It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the Tribunal Order(s) sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company under any contractual arrangements shall automatically stand transferred to and vested in and/ or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/ or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and stead of the Transferor Company, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.

7.3. Without prejudice to the above, the Transferee Company shall, if so desirable or required or as may be necessary, upon the coming into effect of this Scheme and with effect from the Appointed Date, issue writings to the extent that the Transferor Company is required prior

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to the Effective Date to issue such writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company, as the case may be. Further, the Transferee Company shall be deemed to be authorized to issue any such writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company.

7.4. Without prejudice to the above, it is further clarified that with respect to approvals, permissions, licenses, registrations, consents that may require amendment for the purpose of giving effect to this Scheme and to ensure that there is no change in the entitlements otherwise available to the Transferor Company in the absence of this Scheme, the Transferee Company shall be permitted to use the name and approvals, permissions, licenses, registrations, consents of the Transferor Company till such approvals, permissions, licenses, registrations, consents are so amended and updated, so as to enable the Transferee Company to continue to avail the entitlements otherwise available to the Transferor Company.

8. SAVING OF CONCLUDED TRANSACTIONS

8.1. The transfer of the assets and liabilities of the Transferor Company under Clause 4 above, the continuance of Legal Proceedings under Clause 6 above and the effectiveness of contracts, deeds, bonds, approvals and other instruments under Clause 7 above, shall not affect any transaction or Legal Proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts,



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deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

9. EMPLOYEES

9.1. Upon the coming into effect of this Scheme, all the employees of Transferor Company, if any, who are in service on the date immediately preceding the date on which the Scheme finally takes effect, (i.e. the Effective Date) on and from the Effective Date, shall become the employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions than those on which they are engaged by the Transferor Company immediately preceding the Effective Date.

9.2. Transferee Company agrees that the service of all employees of the Transferor Company immediately prior to the coming into effect of this Scheme shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of all retirement benefits to which they may be eligible in Transferee Company immediately prior to the coming into effect of this Scheme. Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with Transferor Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

9.3. Upon the coming into effect of this Scheme, the Transferee Company shall make all the necessary contributions for such

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transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company will also file relevant intimations to the Governmental Authorities concerned who shall take the same on record and substitute the name of the Transferor Company for the Transferee Company.

9.4. In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company for employees, shall be transferred to the necessary funds, schemes or trusts of Transferee Company and till the time such necessary funds, schemes or trusts are created by Transferee Company, all contribution shall continue to be made to the existing funds, schemes or trusts of Transferor Company.

10. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

10.1. With effect from the Appointed Date and up to and including the Effective Date:

10.1.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company for and on account of, and in trust for, the Transferee

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Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

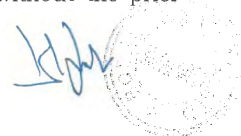
10.1.2. All the profits or income, taxes (including any carry forward accumulated losses, unabsorbed depreciation, advance tax, tax deducted at source, foreign tax credit and MAT credit) or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be, and will be available to the Transferee Company for being disposed of in any manner as it thinks fit, post the Effective Date.

10.2. With effect from the date of the Board of the Transferee Company approving the Scheme and up to and including the Effective Date:

10.2.1. The Transferor Company shall carry on its businesses and activities with reasonable diligence, business prudence and shall not, without the prior written consent of the Transferee Company, venture into new businesses, invest in shares, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the undertaking or any part thereof, except in the ordinary course of business.

10.2.2. The Transferor Company shall not without prior written consent of the Transferee Company undertake any new business.

10.2.3. The Transferor Company shall not take any major policy decisions in respect of its management and for its business and shall not change its present capital structure without the prior



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written consent of the Transferee Company.

11. DISSOLUTION OF THE TRANSFEROR COMPANY

11.1. On the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up without any further act by the Transferor Company and the Transferee Company.

11.2. On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the RoC. The Transferee Company shall make all necessary filings in this regard.

11.3. Any obligations or steps which need to be undertaken by the Transferor Company pursuant to the sanction of this Scheme shall be fulfilled by the Transferee Company.

12. CONSIDERATION

12.1. Upon coming into effect of this Scheme, the Equity shares held by the Transferee Company in the Transferor Company shall stand automatically cancelled with effect from the Effective Date without any further application, act or deed and no new shares in form of consideration shall be issued against the same.

12.2 The Transferee Company shall without any further application, act, instrument or deed, issue and allot to each shareholder of the Transferor Company whose name is recorded in the register of members of the Transferor Company on the Record Date, subject to clause 12.1 hereinabove, in the following Ratio ("Share

Entitlement Ratio”):

45%

“61(Sixty One) fully paid Equity shares of Rs.2/- (Rupees Two only) each of the Transferee Company for every 01 (One) fully paid Equity shares of Rs.100/- (Rupees One Hundred only) each held by such shareholder in the Transferor Company.”

12.3 The Share Exchange Ratio has been arrived at on basis of the valuation report of Mr. Pinakin Shah, a Registered Valuer. The Fairness Opinion for the same has been obtained from M/s TIPSONS CONSULTANCY SERVICES PVT. LTD. The said Valuation Report have been duly considered by the Board of Directors of the Transferee Company and the Transferor Company.

12.4 The shares to be issued and allotted by the Transferee Company in terms of Clause 12.2 above shall be subject to the provisions of the Memorandum and Articles of association of the Transferee Company and shall rank *paripassu* in all respects with the existing shares of Transferee Company.

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

12.7 The issue and allotment of shares by the Transferee Company to



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

12.8 The equity shares issued by the Transferee Company shall be listed and admitted to trading on the Stock Exchanges i.e. NSE and BSE, pursuant to this Scheme and in compliance with the applicable regulations and the applicable SEBI circulars. The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of SEBI circular and Applicable Law and take all steps to procure the listing of the equity shares issued by it.

13. ACCOUNTING TREATMENT

13.1 The amalgamation of the Transferor Company with the Transferee Company shall be accounted for in the books of account of the Transferee Company in accordance with 'Pooling of Interest Method' of accounting prescribed under Appendix C as per Indian Accounting Standard (In AS) 103- "Business Combinations" prescribed under Section 133 of the Act read with the relevant rules issued thereunder, relevant clarifications issued by the IND AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India and other generally accepted accounting principles.

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13.2 With effect from appointed date and upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under:

- (i) The Transferee Company shall record all the assets including intangible assets recorded in the books of the Transferor Company and liabilities of the Transferor Company, including reserves shall stand transferred to the Transferee Company, and shall be recorded in the books of account of the Transferee Company at their carrying amounts as appearing in the consolidated financial statements of the Transferee Company as required by Appendix C of Ind AS 103 and relevant guidance available
- (ii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements.
- (iii) As stated in Clause 12.1 of the proposed scheme, the issued, subscribed and paid up Equity share capital of Transferor Company held by Transferee Company, and the investments in the shares of the Transferor Company appearing, *inter alia*, in the books of account of the Transferee Company shall stand automatically cancelled.
- (iv) The balance of the retained earnings in the books of account of the Transferor Company shall be aggregated with the





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corresponding balance of retained earnings of the Transferee Company.

- (v) The identity of the reserves standing in the books of account of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company. As a result of preserving the identity, reserves which are available for distribution as dividend before the amalgamation would also be available for distribution as dividend after the amalgamation.
- (vi) The surplus/ deficit, if any, of the net value of assets, liabilities and reserves of the Transferor Company acquired and recorded by the Transferee Company in terms of Clause 13.2 (i) over the sum of (a) the face value of the new shares issued and allotted pursuant to Clause 12.2; and (b) the value of investments cancelled if any pursuant to Clause 13.2 (iii) shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.
- (vii) The inter-company deposits, loans & advances and other balances, if any, in the books of the account of the Transferee Company and the Transferor Company shall stand discharged and come to an end and the same shall be eliminated by



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giving appropriate elimination effect in the books of account and records of the Transferee Company.

13.3 In case there is any difference in the accounting policies adopted by the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference will be quantified and adjusted in the Opening Other Equity of previous period to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

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

14.1. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the resolutions of the shareholders and the Board of Directors of Transferor Company, including resolutions of any committees authorized by and comprising *inter alia* of members of the Board of Directors of Transferor Company, as are considered necessary by the Board of Directors of Transferee Company and which are validly subsisting, shall be considered as resolutions of Transferee Company.

14.2. With effect from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be deemed without any further act or deed to have been enhanced by the security creation, borrowing and investment limits

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of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.

14.3. Any corporate approvals obtained by the Transferor Company, whether for purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.

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

15.1. As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorized share capital of the Transferor Company, as indicated in Clause 3.1 of the Scheme, viz. Rs. 1,65,00,000/- only; shall be deemed to be combined with the authorized share capital of the Transferee Company (reclassified in case of Equity Shares by reducing face value to Rs. 2/- (Rupees Two) per share from existing face value of Rs. 100/- (One Hundred) per share), without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to the RoC and the stamp duty and fees paid by the Transferor Company on its authorized share capital shall be set-off against any stamp duty and fees payable by the Transferee Company on any increase in the authorized share capital of the Transferee Company pursuant to the Scheme.

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15.2 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, stand altered, modified and amended pursuant to Sections 13, 61 and 62 of the Act and other applicable provisions of the Act, as the case may be and be replaced accordingly.

15.3 It is clarified that the approval of the Scheme by the members of the Transferee Company shall be deemed approval of the alteration of the memorandum and articles of association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Act, and Clause V of the memorandum of association of the Transferee Company and Article 3 of the articles of association of the Transferee Company shall stand amended accordingly.

16. APPLICATIONS TO THE NCLT

16.1. The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications (as may be applicable) to the National Company Law Tribunal, Ahmedabad Bench for sanctioning this Scheme under Sections 230 to 232 of the Act for an order or orders thereof for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.

16.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any Law for such Governmental Approvals which the Transferee Company may require to own the Undertaking of the

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Transferor Company and to carry on the business of the Transferor Company.

17. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

17.1. Subject to the approval of Tribunal, the Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee of the Board or persons, may consent, to any modifications or amendments of the Scheme or to any conditions or limitations that the Tribunals or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the Tribunal or such other Governmental Authority for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme, whether in pursuance of a change in Law or otherwise. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

17.2. For the purpose of giving effect to this Scheme or to any

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modification or amendments thereof or additions thereto, the delegate(s) and/ or Director(s) of Transferor Company and the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on the Transferor Company and the Transferee Company, in the same manner as if the same were specifically incorporated in this Scheme.

18. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The transfer of the Undertaking to the Transferee Company is and shall be conditional upon and subject to the following approvals, sanctions, orders and consents:

- 18.1 Obtaining observation letter or no-objection letter from the Stock Exchanges in respect of the Scheme, pursuant to Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations') read with SEBI Circular and Regulations 11 and 94 of the LODR Regulations;
- 18.2 The Scheme being approved by the requisite majority both by value and number by such classes of shareholders and/or creditors (where applicable) of the Transferor Company and the Transferee Company as may be directed by the Tribunal, as required under Applicable Law.
- 18.3 The Scheme being approved by the majority of the public shareholders of the Transferee Company (by way of e-voting) as



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required under SEBI Circular. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders, against it as required under the SEBI circular. The term 'public shareholder' shall carry the same meaning as defined under Rule 2 of the Securities Contract (Regulations) Rules, 1957

- 18.4 Tribunal Order(s) under the provisions of Section 230 read with Section 232 of the Act being obtained by each of the Transferor Company and the Transferee Company from the Tribunal.
- 18.5 The certified/ authenticated copies of the Tribunal Order(s) sanctioning the Scheme being filed with the RoC by the Transferor Company and the Transferee Company.
- 18.6 Receipt of any other Governmental Approval to the transfer of the Undertaking and/or the Scheme, if required under Applicable Law.

19. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION AND WITHDRAWAL OF THE SCHEME

- 19.1. In the event of any of the said approvals or conditions referred to in Clause 18 above not being obtained and/ or complied with and/or satisfied and/or the Scheme not being sanctioned by the Tribunals and/or Tribunal Order(s) not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect. The Transferor Company and the Transferee Company shall, in such event, *inter se* bear and pay their respective costs, charges, expenses in connection with the Scheme.

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19.2. In the event of revocation under Clause 19.1, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

19.3. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.

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

20. **COSTS**

All past, present and future costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this

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Scheme or implementation thereof and matters incidental thereto, shall be borne by the Transferee Company, till the Effective Date. It is further clarified that any costs arising or accruing to the Transferor Company in carrying out and implementing this Scheme or implementation thereof and matters incidental thereto, as on or after the Effective Date, shall for all purpose be treated and be deemed to be arising or accruing as costs of the Transferee Company.

21. **NO CAUSE OF ACTION**

No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Company or the Transferee Company or their directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever



VALUATION
OF
EQUITY SHARES
(FINANCIAL INSTRUMENT)
OF
BODAL CHEMICALS LIMITED
AND
SPS PROCESSORS PRIVATE LIMITED
TO
DETERMINE EXCHANGE RATIO
IN THE MATTER
OF
SCHEME OF ARRANGEMENT
IN THE NATURE OF AMALGAMATION

Prepared By:

PINAKIN SHAH

REGISTERED VALUER

Reg No. IBBI/RV/05/2019/10728

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To,
Bodal Chemicals Limited,
Plot No.: 123-124, Phase-I,
G.I.D.C. Estate, Vatva,
Ahmedabad-382 445.

To,
SPS Processors Private Limited,
A/704-714, The Capital,
P-100, Lane No-6, Shankar Nagar,
Ext Delhi - 110051.

Executive Summary

Dear Sir,

I have been engaged on October 18, 2021 by the Audit Committee of Board of Directors of Bodal Chemicals Limited (Hereinafter referred as "Transferee Company" or as "Holding Company"), and SPS Processors Private Limited (Hereinafter referred as "Transferor Company" or "Subsidiary Company").

The objective of engagement is to carry out an independent assessment of the Swap/Exchange Ratio for the proposed amalgamation of Transferor Company with Transferee Company in accordance with the provisions of Section 232 read with 230 of the Companies Act, 2013 effective from 01/04/2021, (being appointed date), subject to approval by appropriate authorities.

I. VALUATION DATE / EXCHANGE RATIO DETERMINATION DATE
01/04/2021.

II. PROFILE OF CLIENTS AS ON VALUATION DATE
TRANSFEEE COMPANY

1) Name:

Bodal Chemicals Limited (CIN: L24110GJ1986PLC009003)

2) Registered office:

Plot No.: 123-124, Phase-I, G.I.D.C. Estate, Vatva, Ahmedabad-382 445.



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3) Board of Directors & KMP:

DIN/PAN	Name	Designation
00007400	Mr. Suresh J. Patel	Chairman & Managing Director
00030464	Mr. Bhavin S. Patel	Executive Director
02173231	Mr. Ankit S. Patel	Executive Director
01736527	Mr. Sunil K. Mehta	Independent Director
03060741	Mr. Nalin Kumar	Independent Director
00092245	Mrs. Neha Huddar	Independent Director
03554733	Mayank Kulinchandra Mehta	Independent Director
08715159	Rajarshi Ghosh	Director - HSE
BDRPB8951Q	Mr. Ashutosh Bhatt	Company Secretary
ADGPP9472L	Mr. Mayur Bachubhai Padhya	CFO

4) Main Business:

The Company is inter alia engaged in the manufacturing as well as trading in all kinds of dyestuffs, dyes intermediates and basic and other chemicals etc; Company is also engaged in export and import of all such products.

5) Share Capital structure:

Particulars	Amount in Rs.
Authorised	
21,00,00,000 equity shares of Rs. 2/- each	42,00,00,000
2,75,00,000 preference shares of Rs. 10/- each	27,50,00,000
Total	69,50,00,000
Issued, Subscribed & Paid-up	
12,23,30,165 equity shares of Rs. 2/- each fully paid-up	24,46,60,330
Total	24,46,60,330

Note: 1,51,500 shares has been issued under ESOP on 24th June, 2021. Paid up equity capital is 12,24,81,665 of Rs. 2/- each as on reporting date..



6) Shareholdings provided to BSE & NSE as on March 31, 2021

Category of shareholder	No. of shareholders	Total no. shares held	%
Promoter & Promoter Group A	10	7,21,95,662	59.02
Public B	57264	5,01,34,503	40.98
i. Individual share capital upto Rs. 2 Lacs	54212	2,75,15,662	22.49
ii. Individual share capital in excess of Rs. 2 Lacs	19	51,17,512	4.18
iii. Bodies Corporate	306	88,01,224	7.19
iv. Clearing Members	153	6,65,142	0.54
v. Non-Resident Indian (NRI)	1204	13,36,031	1.09
vi. NBFCs registered with RBI	1	1,000	0.00
vii. IEPF	1	6,84,616	0.56
viii. HUF	1343	17,67,759	1.45
ix. Others	25	42,45,557	3.48
Total A+B	57274	12,23,30,165	100

TRANSFEROR COMPANY

1) Name:

S P S Processors Private Limited (CIN: U18201DL2002PTC115883)

2) Registered office:

P-100, Lane No-6, Shankar Nagar, Ext Delhi - 110051 IN.

3) Board of Directors:

DIN	Name	Designation
00317588	Mr. Vijayant Mittal	Director
00349685	Mr. Avinash Kumar Jain	Director
01554932	Mr. RakeshbhaiRavjibhai Patel	Director
01736527	Mr. Sunil Kanaiyalal Mehta	Additional Director
06555627	Mr. DhwanikKumar Rakeshbhai Patel	Director
08889048	Mr. Ravindra Jain	Additional Director



4) Main Business:

The Company is presently engaged in the manufacturing as well as trading of dye intermediates mainly H acid and vinly sulphone etc.

5) Share Capital structure:

Particulars	Amount in Rs.
Authorised	
1,65,000 equity shares of ₹ 100/- each	1,65,00,000
Issued Subscribed & Paid-up	
1,62,334 equity shares of ₹ 100/- each	1,62,33,400

Note: On approval of merger or amalgamation, the investment of the Transferee Company in Equity Share Capital of the Transferor Company will be cancelled.

6) Shareholding: Equity

Sr. No.	Name of Shareholder	No of Shares held	% Shares held
1	Bodal Chemicals Limited	1,13,634	70.00%
2	Vijayant Mittal	28,550	17.59%
3	Sonica Jain	20,140	12.40%
4	Avinash Jain	10	00.01%
	Total	162334	100%

III. PURPOSE OF VALUATION

The valuation exercise is being carried out to ascertain the swap ratio for the proposed amalgamation of Transferor Company with Transferee Company in terms of provisions of Section 230 and 232 of the Companies Act, 2013.

IV. SOURCE OF INFORMATION RELIED UPON

We relied upon the following information made available to us by the management of Transferee Company and Transferor Companies for the purpose of this valuation:

- a) Memorandum and Articles of Association.



- b) Audited Accounts for the Financial Year ended on March 31, 2018, March 31, 2019, March 31, 2020 and March 31, 2021.
- c) Shareholding Pattern as on valuation date.
- d) Draft scheme of arrangement for the proposed amalgamation of Transferor Company with Transferee Company.
- e) Discussions with representative of the Management which were considered relevant for the purpose of the Analysis.
- f) Such other information and explanations as may be required by us and provided by the management.

V. VALUATION BASE

We have selected combination of following as valuation base which are appropriate for the intended purpose of the valuation.

- a) highest and best use;

The highest and best use of a non-financial asset takes into account the use of the asset that is physically possible, legally permissible and financially feasible. This base provides maximum value through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities.

- b) going concern value;

Going concern value is the value of a business that is expected to continue to operate in the future. The intangible elements of Going Concern Value result from factors such as having a trained work force, an operational plant, the necessary licenses, marketing systems, and procedures in place etc.

- c) as is where is value;

As-is-where-is basis is the existing use of the asset which may or may not be its highest and best use.

VI. VALUATION STANDARDS

The Report is based on International Valuation Standards (IVS), however as

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noted in IVS framework, the Valuer needs to follow regulatory or other legal requirements even though they defer from requirements of IVS, such valuation is considered as performed in overall compliance with IVS.

VII. BACKGROUND INFORMATION OF ASSETS BEING VALUED

The fair value of equity shares of the Transferor Company and Transferee Company to carry out an independent assessment of the exchange ratio for the proposed arrangement in the nature of amalgamation of Transferor Company with Transferee Company.

The SEBI has prescribed Pricing of frequently traded shares under Regulation 164 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. (hereinafter referred to as Regulation 164).

The relevant extract of the regulation is:

Regulation 164 (pricing of frequently traded shares)

If the equity shares of the issuer have been listed on a recognized stock exchange for a period of 26 (Twenty six) weeks or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall **be not less than higher of** the following:

- a) The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the **26(Twenty six) weeks** preceding the relevant date;
- or
- b) The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on recognised stock exchange during the **2 (Two) weeks** preceding the relevant date.

The relevant date for the purpose of computing the price of the equity shares of Transferee Company has been considered to be the date of the board meeting of Transferee Company approving the scheme.

A circular stamp with a signature over it. The signature is in black ink and appears to be 'P. M.'. The stamp is partially obscured by the signature.

The information contained herein is intended only for the sole use of shareholders covered under the scheme and regulatory approvals.

VIII. VALUATION METHODOLOGY AND APPROACH

In case of amalgamation of Subsidiary Company with its holding Company having 70% Equity Stake in Subsidiary Company, Valuation of the enterprise or its equity shares based on following three commonly used valuation techniques.

- a) Market approach.
- b) Asset / cost approach.
- c) Income approach.

Under each approach, a number of methods are available which can be used to determine the fair value of a business enterprise.

IX. VALUATION

a) Market Approach

TRANSFEROR COMPANY

For the valuation of Transferor Company this method has not been adopted since it is not listed on any stock exchange. Further, we could not find listed comparable (peer group) companies considering the business, size, geographical presence etc. and hence we could not consider the CCM method for valuation of transferor company.

TRANSFeree COMPANY

In the present case, equity shares of Transferee Company is listed on NSE and BSE, which are, regularly and frequently traded with reasonable volumes on the exchanges. We have therefore used market price approach to value the equity shares of Transferee Company. The SEBI vide circular no SEBI/LAD-NRO/GN/2018/31 dated September 11, 2018 prescribed average of two weeks market price formula prior to relevant date to arrive at the market price of the transferee company.



The price of equity shares to be issued shall be determined by Regulation 164

We have considered the price up to a day prior to the relevant date i.e. price up to 28th October, 2021 have been considered, to ensure that the price of the transferee company's shares being considered for the exchange are not less than the minimum price arrived under the above formula prescribed under Regulation 164.

We have considered the formula prescribed under Regulation 164 for our analysis.

Fair Value of Equity shares of Bodal Chemicals Limited / Transferee Company as per SEBI ICDR Regulations is set out below:

Minimum price prescribed under Regulation 164	Price
Average of weekly high and low of volume weighted average price of equity shares of the entity quoted on NSE during the 2 (Two) weeks preceding the relevant date	133.07
Average of the weekly high and low of the volume weighted average price of the related equity shares quoted on NSE during the 26 (Twelve) weeks preceding the relevant date	112.82
Higher of the above considered as minimum price under Regulation 164	133.07

Comparable Company Market Multiple Method

Based on discussions with the Company and our independent research, we understand that Kiri Industries Limited could be considered as closely and directly comparable to the Transferee Company. Comparison table attached as **Annexure I**. After comparison, we are of opinion that this method cannot be used in the present valuation exercise.

b) Income Approach

Discounted Cash Flow method

This income-based business valuation method provides highly accurate estimate of business value based on the business earning potential. Under



this method, we determine the business value by discounting the future business earnings using the discount rate which captures the business risk.

The use of this method requires the following three inputs:

- i. Business net cash flow forecast over a pre-determined future period
- ii. Discount rate
- iii. Growth
- iv. Long-term residual business value

TRANSFEROR COMPANY

Cash Flows

We have been provided with the projected financial statements of the Company till year ending 31stMarch, 2026 by the Management and reviewed and adjusted by us to reflect future industrial scenario.

The cost of equity has been calculated at 16.47%:

Discount Rate Element	Risk Value
Risk free rate of return	6.18%
Beta considered	1.35
Equity Risk Premium considered	
Gordon's Dividend Discount model	7.62%
Premium for equity investment	10.29%
<u>Equity Discount Rate, %: (Ke)</u>	16.47%
Net Cash Flow growth rate, %:	3.00%
<u>Capitalization Rate, %:</u>	13.47%

Terminal Value (Long-term residual business value)

Finally, the residual business value which represents that portion of business value past the net cash flow projection period is calculated as follows:

$$R = \frac{CF_5 \times (1 + g)}{(d - g)}$$

In this relationship, CF_5 is the net cash flow estimated in year 6 of



forecast, g is the long-term growth rate in the net cash flow, and d is the discount rate. We calculate g as the average growth rate given fifth-year cash flow projection or assumed growth rate. G is taken as three, considering Vinyl Sulfone growth rate 4% projected through 2031 & H Acid growth rate at a CAGR of 3.5% during 2022-2027.

Under these assumptions, we arrive at the following estimate of business value:

Years	Cash Flow	Cost of Equity	Present Value Factor	Discounted Cash Flow
2021-22	1,690.32	16.47%	0.8586	1,451.33
2022-23	1,539.84	16.47%	0.7372	1,135.20
2023-24	580.95	16.47%	0.6330	367.73
2024-25	1,330.50	16.47%	0.5435	723.11
2025-26	2,361.69	16.47%	0.4666	1,102.07
Terminal Value of Cash Flow	18,062.97	16.47%	0.4666	8,428.97
Total Value of Firm				13,208.40
Debt				0.00
Cash and Cash Equivalent Balance as at 31/03/2021				69.00
Total Value of Equity share holders				13,277.40
Outstanding number of ordinary equity shares				162,334
Fair Market Value per Equity share in Rs				8,179.07

CAPITALIZATION OF EARNINGS METHOD

TRANSFeree COMPANY

The capitalized earnings method is classified under the income approach. This well-established method is often referred to as direct capitalization. The alternative methodology to the discounted cash flow.

Note that the business earnings here are the expected measure of income the business is likely to generate going forward. Similar to the discounted cash flow method, the capitalized earnings valuation establishes the present value



based on the company's expected income.

Since there is earning track record and visibility for the near to long term, this method is considered as an appropriate method.

The capitalized earnings valuation means that a single divisor, known as the capitalization rate representing business risk, is applied to a measure of business earnings. This single division calculation produces an indication of business value. Just like with any other income-based valuation method, the business value is determined from the assessment of the company's earning power and risk.

In essence, this valuation method works as follows:

- a) Projected business earnings as a single number that goes into the numerator of the calculation. We have chosen average of the past income stream.
- b) Calculated the present value of this earnings amount by dividing it by a capitalization rate. Capitalisation rate is difference of cost of equity less projected growth rate.

Cost of equity (Discount Rate) (Ke)

The cost of equity is considered for arriving at the present value of earning of the Company as historical debt to equity ratio is 0.10.

Normally **Ke** is arrived by following CAPM formula:

$$E(R_i) = R_f + B_i [E(R_m) - R_f]$$

$E(R_i)$ = Capital asset expected return

R_f = Risk-free rate of interest

B_i = Beta

$E(R_m)$ = Expected return of the market

Ke is taken from ERP done by Incwert India available at <http://www.incwert.com>

- a) Economically more realistic scenario is to view the earnings as they arise throughout the year. To do this, calculation is adjusted for what is known as the *mid-year convention*. The



business value using the constant growth capitalization must be multiplied by the adjustment factor as follows:

$$EV = E \times (1 + G) / Ke - G \times \sqrt{1 + Ke}$$

E = Projected Business Earning

G = Growth Rate

Ke = Cost of equity

Under these assumptions, we arrived at the following estimate of business value:

Transferee Company: Bodal Chemicals Limited

Business Value	1,71,805.30
Mid year Adjustment Factor	1.0644
Mid year Adjusted Business value	1,80,294.05
Adjusted EV (Business)	1,16,839.05
Fair Value of equity in Rs.	47.00

c) Cost Approach

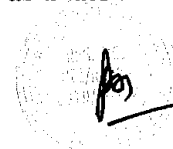
In the present case, the business of Transferor and Transferee Companies are intended to be continued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the cost approach is not adopted for the present valuation exercise.

X. OPINION

In amalgamation valuation, the emphasis is on arriving at relative values of the shares of the combined entity to facilitate the determination of swap ratio. Hence the purpose is not to arrive at investment values of the shares of the companies. The real objective is to have fairness to all shareholders.

Under Ind AS 103, all business combinations in the form of group consolidation are not in the nature of purchase.

Based on the Analysis of the business of the companies, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, in our opinion, the swap ratio worked out is as under:



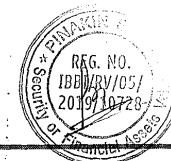
Accordingly, considering the approach and the rationale for the fair equity share entitlement ratio discussed hereunder, the valuation approaches as indicated in the format (as shown below) as prescribed by circular number LIST/COMP/02/2017-18 of BSE Computation of Fair Share Exchange Ratio:

Computation of fair value	SPS Processors Pvt Ltd		Bodal Chemicals Limited	
	Face Value per Share 100/- (INR)	Weight	Face Value per Share 2/- (INR)	Weight
Asset Approach	0	0	0	0
Income Approach	8179.07	100	87	0
Market Approach	0	0	133.07	100
Relative Value per Share	8179.07		133.07	
Exchange Ratio (Rounded off)	1		61	

• **100% weightage to Market approach for Transferee Company:**

"Because valuations cannot be made on the basis of a prescribed formula, there is no means whereby the various applicable factors in a particular case can be assigned mathematical weights in deriving the fair market value. For this reason, no useful purpose is served by taking an average of several factors (for example, book value, capitalized earnings and capitalized dividends) and basing the valuation on the result. Such a process excludes active consideration of other pertinent factors, and the end result cannot be supported by a realistic application of the significant facts in the case except by mere chance."

- i. **The Cost Approach** is most appropriate where the subject company is no longer operating as a going concern and is preparing for liquidation. Cost approach has not been considered as it does not reflect intrinsic value of business.
- ii. **The Income Approach** is most appropriate when there is a large amount of data regarding past and future earnings. DCF not considered as non-availability of business projection of Bodal Chemical Limited on the ground that price sensitive information made available. We have considered DCF for Transferor Company. Capitalization of Earnings



Method although worked but not considered in view of declining trend of PAT in previous two years in view of COVID-19.

- iii. **The Market Approach** is a direct approach for establishing the fair market value of a company, it is based upon publically available data, and it can require fewer subjective assumptions than income approach. This is most appropriate when the available market data is consistent and reliable. There are instances of market trends that may affect the value of the subject company in ways that are not reflected on the company's own balance sheets. Since Bodal Chemicals Limited is listed company, frequently traded on NSE & BSE over reasonable period as defined under ICDR Regulations, we have computed price from NSE (Volume traded on NSE is higher than BSE) for calculating FMV, refer **Annexure II** for statement, determining recognised stock exchange where the higher trading volume has been recorded during preceding 26 weeks prior to the relevant date.

Refer **Annexure III** for computation of FMV under regulation 164(1) of ICDR Regulation.

- iv. The final indication of value, on a going concern basis, is generally one number computed from a variety of analytical procedures and one or more of the three methods discussed above.

XI. SHARE EXCHANGE RATIO

61 (Sixty One) equity shares of Bodal Chemicals Limited of INR 2/- each fully paid up for every **1(One)** equity shares of SPS Processors Private Limited of INR 100/- each fully paid up.

XII. DISCLOSURE OF INTEREST

We have acted as an independent third party and, as such, shall not be considered an advocate for any concerned party for any dispute. The valuation has been carried out independently to assess the valuation services. We have no



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present or planned future interest in the company or any of its group companies and the fee for this report is not contingent upon outcome of the transaction. Our valuation should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into any transaction with the company.

Previously we have been engaged by the Transferee Company for valuation on March 16, 2020 to determine exchange ratio in scheme of amalgamation during last five years.

We have no responsibility to modify this report for events and circumstances occurring subsequent to the date of this report.

XIII. LIMITATIONS AND DISCLAIMER

The scope of the report does not include detailed corroborative examination of the financial assertions and representation of management.

IBBI vide its circular dated 01st September, 2020 has issued a guideline on use of Caveats, Limitations and Disclaimers, accordingly following Caveats, Limitations and Disclaimers are used:

- The information contained herein and our report is absolutely confidential. It is intended only for the sole use and information of the Company. We are not responsible to any other person/party (including allottees) for any decision of such person or party based on this report.
- Any person intending to invest in shares/business of the company shall do so after seeking their own professional advice and carrying out their own due diligence procedures to ensure that they are making an informed decision.

Nothing in this report should be taken to imply that we have conducted any detailed procedure, investigation in an attempt to verify or confirm any of the information given to us.

Our valuation is subject to the following Limitations / Exclusions:

- i. This document has been prepared for the purposes stated herein and

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should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this report.

- ii. As much the report is to be read in totality and not in parts in conjunction with the relevant documents referred to therein.
- iii. While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the clients existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.
- iv. The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.
- v. This report is issued on the understanding that the Company has drawn our attention to all material information, which they are aware of concerning their financial positions and any other matter, which may have impact on our opinion, on the fair value, including any significant changes that have taken place or are likely to take place in the financial position, subsequent to last audited balance sheet. We have no responsibility to update this report for events and circumstances occurring after the valuation date of this report.
- vi. In the course of the valuation, we are provided with both written and verbal information. We have however, evaluated the information provided to us through broad inquiry, analysis and review (but have not



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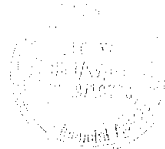
carried out a due diligence of the Company for the purpose of this engagement). Our conclusion is based on the information given by/on behalf of the Company. However, we make no representation or warranty, express or implied, in respect of the completeness, authenticity or accuracy of such statements.

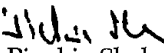
- vii. We do not provide assurance on the achievability of the results forecast by the management/owners as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.
- viii. The actual price achieved may be higher or lower than our estimate of value depending upon the circumstances of the transaction, the nature of the business. The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which actual transaction will take place.
- ix. All the workings for valuation worked out are rounded off to the nearest rupee in Lakh.
- x. We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.



- xi. We owe responsibility to only to the authority/client that has appointed us under the terms of the engagement letters. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the client, their directors, employees.
- xii. The report assumes that the company complies fully with relevant laws and regulations applicable in its area of operations and that the company will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet provided to us.
- xiii. We are fully aware that based on the opinion of value expressed in this report, we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and our tendering evidence before such authority shall be under the applicable laws.
- xiv. Our report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

Date: 29/10/2021
Place: Ahmedabad




Pinakin Shah
Registered Valuer
Reg No. IBBI/RV/05/2019/10728

ANNEXURE I

PEER COMPARISON

	Aditya Birla Liquors	Bodal Chemicals
Size		
Market Cap (Cr.)	1,982	1,570
Annual Sales (TTM) (Cr.)	1,141	1,530
Annual Net Profit (TTM) (Cr.)	401	92
Growth Factors (TTM)		
Net Sales Growth 1 year	8.9%	36.6%
Operating Profit Growth 1 year	-21.6%	217.5%
Net Profit Growth 1 year	31.3%	127.1%
Net Sales Growth 5 year	0.2%	8.2%
Operating Profit Growth 5 year	-10.8%	-14.6%
Net Profit Growth 5 year	7.9%	-11.5%
Capital Structure Factors		
EBIT to Interest	14.4	6.1
Debt to EBITDA	1.2	5.2
Net Debt to Equity	0	0.5
Sales to Capital Employed	0.4	0.9
Management Quality Factors		
ROCE (latest)	1.6%	4%
ROE (latest)	11.6%	4.3%
Tax Ratio	13.8%	26.9%
Operating CF to Net Profit	28.6%	-30.9%
Dividend Payout Ratio	0.5%	11.2%
Valuation Factors		
PE Ratio	5	18.1
Price to Book	0.9	1.7
PEG Ratio	0.5	0.1
Dividend Yield	-	0.6%
EV to EBITDA	19.2	13.4
EV to Capital Employed	0.9	1.5
Shareholding		
Promoter Holdings	35%	58.9%
Promoter Pledged Holdings	0.4%	-
Total Institutional Holding	35.7%	2.4%
FII Holdings	35.1%	2.4%
Returns		
1 Month	-6.6%	18%
3 Months	-12.5%	7.5%
YTD	-7.4%	63.1%
1 Year	11.8%	106.4%
3 Years	24.8%	16.3%

Source: <https://www.marketsmojo.com/>

M/s. Bodal Chemicals Limited

Pricing of Securities to be issued on Preferential Basis as per SEBI (ICDR) Regulations

Alternative I

Average Price of Weekly High & Low of the Closing Prices quoted on the National Stock Exchange of India Ltd. Exchange during the last 26 (Twenty six) weeks preceding the relevant date

Weeks	From	To	VWAP High	VWAP Low	Average
1	30-Apr-21	06-May-21	104.45	98.56	101.51
2	07-May-21	13-May-21	106.00	101.69	103.85
3	14-May-21	20-May-21	101.77	99.55	100.66
4	21-May-21	27-May-21	109.82	99.28	104.55
5	28-May-21	03-Jun-21	105.04	102.06	103.55
6	04-Jun-21	10-Jun-21	113.04	103.12	108.08
7	11-Jun-21	17-Jun-21	111.68	107.58	109.63
8	18-Jun-21	24-Jun-21	110.37	107.44	108.91
9	25-Jun-21	01-Jul-21	102.95	100.86	101.91
10	02-Jul-21	08-Jul-21	107.46	101.60	104.53
11	09-Jul-21	15-Jul-21	121.90	103.93	112.92
12	16-Jul-21	22-Jul-21	120.16	117.19	118.68
13	23-Jul-21	29-Jul-21	123.58	118.97	121.28
14	30-Jul-21	05-Aug-21	121.72	117.53	119.63
15	06-Aug-21	12-Aug-21	118.22	105.72	111.97
16	13-Aug-21	19-Aug-21	110.19	107.19	108.69
17	20-Aug-21	26-Aug-21	105.46	100.47	102.97
18	27-Aug-21	02-Sep-21	109.34	105.65	107.50
19	03-Sep-21	09-Sep-21	112.70	107.09	109.90
20	10-Sep-21	16-Sep-21	112.88	108.93	110.91
21	17-Sep-21	23-Sep-21	111.10	105.89	108.50
22	24-Sep-21	30-Sep-21	119.76	110.44	115.10
23	01-Oct-21	07-Oct-21	143.13	117.82	130.48
24	08-Oct-21	14-Oct-21	144.37	138.51	141.44
25	15-Oct-21	21-Oct-21	141.71	134.00	137.86
26	22-Oct-21	28-Oct-21	131.63	124.93	128.28
			Average Price		112.82

Alternative II

Average Price of Weekly High & Low of the Closing Prices quoted on the National Stock Exchange of India Ltd. during the last 2 (two weeks) preceding the relevant date

Weeks	From	To	Closing High	Closing Low	Average
1	15-Oct-21	21-Oct-21	141.71	134.00	137.86
2	22-Oct-21	28-Oct-21	131.63	124.93	128.28
			Average Price		133.07

Fairness Opinion Report

On

Valuation & Fair Share Exchange Ratio

under

Scheme of Amalgamation of

SPS PROCESSORS PRIVATE LIMITED

(Transferor Companies)

With

BODAL CHEMICALS LIMITED

(Transferee Company)

And Their Respective Shareholders

(UNDER SECTION 230 to 232 OF COMPANIES ACT, 2013)

Dated: October 29, 2021

The information contained herein is of a confidential nature and is intended for the exclusive use of the persons for whom it was prepared.

PREPARED BY



TIPSONS CONSULTANCY SERVICES PVT. LTD.

*(MERCHANT BANKER, SEBI REGN. NO. INM000011849)-(CIN:U74140GJ2010PTC062799)
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1. Background

Bodal Chemicals Limited ("BCL" or "Transferee Company") is a company incorporated under the Companies Act, 1956 ("Companies Act" or "the Act") as Private limited companies with the name Dintex Dychem Private Limited having its registered office at Plot No123/124, Phase I, GIDC, Vatva, Ahmedabad, Gujarat, 382445. The Corporate Identification Number of BCL is L24110GJ1986PLC009003.

BCL is widely held listed company. The shares of BCL are listed on Bombay Stock Exchange and National Stock Exchange. The shares of the company are listed at Bombay Stock Exchange (BSE) vide stock code 524370 and at National Stock Exchange (NSE) vide Symbol BODALCHEM.

The Company is inter alia engaged in the manufacturing as well as trading in all kinds of dyestuffs, dyes intermediates and basic and other chemicals etc; Company is also engaged in export and import of all such products.

SPS Processors Private Limited ("SPS" or "Transferor Company") is a private limited company incorporated under the provisions of Companies Act, 1956 having its registered office at P-100, Lane No. 6, Shankar Nagar Extension, Delhi-110051. The Corporate Identification Number of SPS is U24100DL2002PTC115883.

The Company is presently engaged in the manufacturing as well as trading of dye intermediates mainly H acid and vinly sulphone etc.

As stated in the Draft Scheme of Arrangement provided by the Transferee Company and the representations provided by the respective companies, The Transferee Company is the holding company of the Transferor Company holding 70% of the share capital and the Transferor Company is engaged in the same line of business field of manufacturing as well as trading in dyestuffs, dyes intermediates and basic and other chemicals etc. and is also engaged in export and import of all such products.

In order to give effect to the desired objective of amalgamation, the directors of BCL and Transferor Company decided to amalgamate Transferor Company with BCL through a scheme of amalgamation pursuant to Sections 230 to 232 of the Companies Act 2013. As enumerated in the draft scheme of amalgamation provided to us, BCL is expecting following significant benefits through the scheme of amalgamation.

1. The proposed amalgamation will offer an immense opportunity to consolidate the portfolio of brands and products that are relevant to the "chemical industry" under a single roof;
2. The proposed amalgamation will enable the merged entity to cater to the needs of entire value chain. This can have a better reach in terms of various customer base and will provide a stronger market position to the company;
3. The proposed amalgamation will result in operational synergies and efficiency for the merged entity. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;



4. The Scheme would help in achieving synergies in business operations and streamlining the business activities for the Companies, combining the following activities which would result in significant growth in business: –

material procurement and storage;

FG storage and dispatches;

Internal movement of materials;

Sharing of common utilities;

Re-distribution of marketing portfolios thereby reducing marketing and travelling costs;

5. The Amalgamation of Transferor Company with the Transferee Company will result into enlarged combined assets base and will also provide an opportunity for the merged entity to leverage on such assets;

6. Greater integration and greater financial strength and flexibility for the Transferee Company, which would result in maximizing overall shareholders value, and will improve the competitive position of the merged entity;

7. The proposed amalgamation would help in enhancing the scale of operations, reduction in overheads, including administrative, statutory compliances, managerial and other expenditure, operational rationalization, organizational efficiency, and optimal utilization of resources by avoiding duplication of efforts; and

8. Taking into consideration the above synergies, the merged entity would result in better profitability and EBITDA margins, Accordingly, the stronger financials will provide a better opportunity in terms of better trade credits, financial resources and in negotiations for prices and suppliers credit terms for the merged entity.

Towards this purpose, the Board of Directors of BCL have provided us with a certified copy of the Draft Scheme of Amalgamation between Transferor Company and Transferee Company which is considered and approved at their board meeting held on 29th October, 2021. The proposed scheme of amalgamation will also be placed at the meeting of the Board of Directors of the SPS.

2. Reference & Context

As the equity shares of BCL are listed on BSE and NSE it is bound by the Regulation 37 of SEBI (Listing Obligation & Disclosure Requirement) Regulations 2014 and the provisions thereof as amended from time to time.

We are a SEBI registered Category I merchant banker and we have applied ourselves towards formation and expression of the opinion on the valuation of Shares done by the Valuer Mr. Pinakin Shah, Registered valuer, registered with IBBI having Registration Number – IBBI/RV/05/2019/10728 ("valuer") dated October 29, 2021 in relation to this proposed scheme of amalgamation.

This Fairness Opinion is issued pursuant to terms of Engagement between TCSPL and BCL.



3. Proposed Transaction

BCL proposes the amalgamation of SPS into BCL. The proposed structure is as per the draft scheme of amalgamation provided to us by BCL.

As per the scheme, all the shares held by the Transferee Company in the Transferor Companies, shall be cancelled and against the remaining shares, equity shares, would be issued to the shareholders (other than shares held by the Transferee Company) of the Transferor Companies, in accordance with the share exchange ratio as certified by the Valuer. Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholders of "Transferor Companies" (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company).

4. Engagement

We, Tipsons Consultancy Services Private Limited., have been appointed to issue a fairness opinion in terms of sub Para 8(b) of Para I(A) of Annexure I of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on valuation of shares done by an Independent Valuer for the Transferor Company and Transferee Company pursuant to proposed scheme of amalgamation.

SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 provides that provisions of chapter V of SEBI (ICDR) Regulations 2018 shall be followed in case of issuance of shares to a select group of shareholders or shareholders of unlisted companies pursuant to scheme of arrangement. SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017 specifies the "relevant date" for the purpose of computing pricing shall be the date of Board meeting in which the draft Scheme is approved.

This Fairness Opinion is expressed solely with reference to requirements under aforementioned purpose; and scope of this assignment is restricted to opine about fairness of valuation already done by the valuer in relation to the proposed amalgamation transaction.

This opinion does not in any way constitute a recommendation by TCSPL to any Shareholder as to whether such shareholder should approve or reject the proposed transaction, in cases where voting by public shareholders is warranted. We urge you to read this Fairness Opinion carefully and entirely.

We have been engaged by BCL to issue a Fairness Opinion and will receive a fixed fee for rendering this Fairness Opinion, which is independent of the happening or otherwise of the proposed transaction.

This Fairness Opinion may be reproduced in the explanatory statement sent to the shareholders along with the notice of general meeting / postal ballot form, conducted to get approval for the proposed transaction, so long as the form of reproduction of the Fairness Opinion in such report and any description of or reference in such report to TCSPL, is in a form acceptable to us.



The opinion is issued at the request of the Board of Directors of the Transferee Company who have engaged us and we owe the contractual responsibility to them and nobody else. The opinion expressed in this report is non-binding and no claim of loss, damages, or liabilities arising out of acts of commission or omission done by third parties in relation to this transaction will lie against us.

There is no liability to any third party in relation to issuance of this Opinion and we shall not be answerable to any such third party. The Opinion when submitted to the Company will come under the ownership of the Company and the Company can use it only for the purposes for which it is issued. The permitted usage and sharing including the manner and mode of sharing of this Opinion will be strictly as permitted by the governing regulatory requirement. No selective sharing of this Opinion to any interested party whether or not a shareholder will be permitted unless an express regulatory order in this behalf is furnished.

The Company has agreed to furnish a certified copy of the Board approved scheme of amalgamation and also notify us in case of any modifications carried out in the proposed scheme already furnished to us.

Our current opinion is based on the assumption that the proposed scheme of amalgamation shared with us will be adopted by all the companies involved in transaction as such.

5. Basis of forming Opinion

5.1 Documents and Information Considered

For the purpose of providing our opinion, we have reviewed:

1. Audited financial statement of BCL for the year ended 31 March 2020 & 31 March 2021.
2. Audited Financial Statement of SPS for the year ended 31 March 2020. Unaudited provisional financial statement of SPS for the year ended 31 March 2021.
3. Latest Shareholding pattern of BCL and SPS as at valuation date.
4. Financial Projection of SPS from FY ended 2022 to FY ended 2026 ("Management Projection") which represent management's estimate of the future financial performance of SPS.
5. Copy of the proposed Draft Scheme of Amalgamation.
6. Certified copy of the valuation report of the Valuer Mr. Pinakin Shah, Registered Valuer, registered with IBBI having Registration Number – IBBI/RV/05/2019/10728, dated October 29, 2021 on the valuation for the proposed scheme.
7. Pre-amalgamation shareholding pattern of Transferor Companies.
8. Pre and Post amalgamation shareholding pattern of the Transferee Company.
9. Performed such other financial reviews and analyses as TCSPL, in its absolute discretion, deemed appropriate.



5.2 Assumptions and Limiting Conditions

TCSPL has been engaged to provide standard services for the issuance of the Fairness Opinion and therefore have not performed any due diligence or audit of the information provided to us, nor have we made any independent valuation or appraisal of the assets or liabilities.

TCSPL has assumed and relied upon the truth, accuracy and completeness of the information, data and financial terms provided to us or used by us, in written or verbal form, and has assumed that the same are not misleading and does not assume or accept any liability or responsibility for any independent verification or checking of such information or any independent valuation or appraisal of any of the assets, operations or liabilities of SPS or the Transferor Companies.

With respect to the financial valuation, TCSPL has assumed that they have been reasonably prepared on bases reflecting the best available estimates and judgments of the management of the Company at that time and carefully considered by the Valuer, and that no event subsequent to this and undisclosed to TCSPL has had a material effect on them. TCSPL does not assume or accept liability or responsibility for (and expresses no view as to) the assumptions on which they are based.

In preparing this opinion, TCSPL has received specific confirmation from management of BCL that all the information the Company has provided to TCSPL in relation to the engagement of TCSPL is correct and complete and no information has been withheld that could have influenced the purpose of this Fairness Opinion. This opinion is also subject to various assumptions in collection, usage and application of information applied by the Valuer. The Opinion is also subject to various undertakings, confirmations given by the Company to the Valuer and the same shall be deemed to be extended for this Opinion also.

TCSPL's opinion is necessarily based on financial, economic, monetary, market and other conditions as in effect on, and the information made available to TCSPL or used by it up to, the date hereof. This opinion exclusively focuses on the fairness, from a valuation point of view, of the shares done by the valuer and does not address any other issues such as the underlying business decision to recommend the transaction or its commercial merits, which are matters solely for the Boards of Directors of BCL and the Transferor Company to address and further to be confirmed by the shareholders of both the companies, as may be required.

TCSPL's formation of fairness opinion is based on information supplied by BCL, its representatives/consultants both in written and verbal form, representations and confirmations of its management on various issues and we have relied upon them as such without any independent verification and as such we do not hold ourselves liable if our opinion becomes flawed as a result of any shortcomings in such information, representations and confirmations given by BCL.

In rendering this opinion, TCSPL has not provided legal, regulatory, tax, accounting or actuarial advice and accordingly TCSPL does not assume any responsibility or liability in respect thereof. Furthermore TCSPL has assumed that the proposed transaction will be consummated on the terms and conditions as set out in the proposed Scheme of Amalgamation, without any material changes to, or waiver of, its terms or conditions.



6. Valuation Approaches and their Review

6.1. Overview

The formation of a fairness opinion is a complex process involving careful consideration and review of valuation methods, associated financial and other analyses, performed by the valuer. The selection and application of any or all of the generally accepted and commonly applied valuation methods to a particular circumstance is the discretion of the valuer, and hence, in arriving at its opinion, TCSPL has made a qualitative assessment of the appropriateness of the method and subsequent application. Accordingly, TCSPL believes that its analysis must be considered in its entirety and not based on any individual element or elements or without considering all associated narratives or descriptions of the analyses which could create a misleading or incomplete view of the comprehensive nature of the processes underlying its analyses and opinion.

6.2 Valuation

TCSPL has reviewed the method of valuation adopted by the valuer. The report states that In case of amalgamation of Transferor Company with the Transferee Company, all the shares held by the Transferee Company in the Transferor Company, shall be cancelled and against the remaining shares, equity shares, would be issued to the shareholders (other than shares held by the Transferee Company) of the Transferor Company, in accordance with the following share exchange ratio;

While, 61 Equity shares of face value of Re.2/- (Face Value Rupees Two) each in BCL / Transferee Company for every 1 Equity shares of Rs. 100/- (Face Value Rupees One Hundred) each held in SPS/ Transferor Company.

Valuer has valued the Transferee Company's shares on Market Price Method considering October 29, 2021 as relevant date in accordance with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, and SEBI (Issue of Capital and Disclosure Requirements) Regulations as per the data available on BSE Limited.

BCL and SPS presently operating as going concern. BCL is generating profits while SPS is expected to earn profits and generate positive cash flow in foreseeable future. NAV does not considered the future profit/cash generating capability of any business and hence Valuer has not used NAV method in any company. The Valuer was provided with the future financial projections of SPS and Valuer have valued SPS as per DCF methodology. BCL is a publically listed company with both BSE and NSE and its shares are actively traded in both the stock exchanges i.e. NSE & BSE. The Valuer has considered Market Price Method and has given 100% weightage to it. The Valuer has also considered Income Approach for BCL and has arrived value under Capitalisation of Earning Method But has given 0% (Zero) weightage to it in view of declining trend of PAT in previous two years in view of COVID-19.



6.3 Analysis of the Valuation

In the role of merchant banker giving an opinion about fairness of the valuation (mentioned above) done by the valuer, we had to examine whether the basis of arriving at the above value and the valuation conclusion was fair. In the instant case, we performed certain procedures and made certain enquiries with the management of BCL. Some of the procedures / activities performed and the findings are mentioned below:

- Noted that the scheme involves amalgamation of one unlisted company namely SPS with one listed company namely BCL.
- Noted that amalgamation of Transferor Company with the Transferee Company, all the shares held by the Transferee Company in the Transferor Company, shall be cancelled and against the remaining shares, equity shares, would be issued to the shareholders (other than shares held by the Transferee Company) of the Transferor Company, in accordance with the following share exchange ratio.

“61 Equity shares of face value of Re.2/- (Face Value Rupees Two) each in BCL / Transferee Company for every 1 Equity shares of Rs. 100/- (Face Value Rupees One Hundred) each held in SPS/ Transferor Company.”

- Noted that this report (Valuation Report) is prepared based on the concept of Going Concern which assumes that enterprise shall continue to operate and run its business for long.
- Noted that Valuer have considered and adopted the International Valuation Standard (IVS) published by The International Valuation Standard Council (IVSC), which is the independent global standard setter for the valuation profession.
- The valuation methodology adopted for valuing BCL is in accordance with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Since the shares of BCL are publicly and frequently traded, it seems fair. Noted that the future financial projections of SPS were available and the Valuer has valued SPS as per DCF methodology.

7. Opinion

- Based upon and subject to the foregoing, we are of the opinion on the date hereof, that the valuation done by the Valuer for the proposed scheme of amalgamation in accordance with the following share exchange ratio is FAIR.

“61 Equity shares of face value of Re.2/- (Face Value Rupees Two) each in BCL / Transferee Company for every 1 Equity shares of Rs. 100/- (Face Value Rupees One Hundred) each held in SPS/ Transferor Company.”

For Tipsons Consultancy Services Private Limited

Jitendra Shah
Managing Director

Date : October 29, 2021
Place: Ahmedabad





DCS/AMAL/MJ/R37/2217/2021-22

"E-Letter"

February 10, 2022

The Company Secretary,
BODAL CHEMICALS LTD.
 Plot No123/124, Phase I, GIDC,
 Vatva, Ahmedabad, Gujarat-382445.

Dear Sir,

Sub: Observation letter regarding the Scheme of Amalgamation of S P S Processors Private Limited with Bodal Chemicals Limited.

We are in receipt of the Draft Scheme of Amalgamation of Bodal Chemicals Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated February 08, 2022 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- “Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon’ble NCLT and shareholders, while seeking approval of the scheme.”
- “Company shall ensure that additional information and undertakings, if any submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”
- The Company is advised shall ensure to add an explanatory statement to the application to be filed before the Hon’ble NCLT and to notices to be given to shareholders and creditors on:
 - Increase in trade receivables and DSO of SPS Processors Private Limited.
 - Negative cash flow from operating activities.
 - Increase in losses for last 3 financial years and six months period ended on February 08, 2022.
- “Company shall duly comply with various provisions of the Circular.”
- The Company shall ensure that it adds an explanatory statement to the application to be filed before the Hon’ble NCLT and to notices to be given to shareholders and creditors explaining the rationale as how SPS processors Private limited will maintain their positive cash flows from operating activities if “it would have been operated as a separate going concern entity.
- “Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.”
- “Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to shareholders.”



સંસ્થાનું સંચાલન કાર્યકાર્યકારીઓ દ્વારા કરવામાં આવે છે. સંસ્થાનું સંચાલન કાર્યકાર્યકારીઓ દ્વારા કરવામાં આવે છે. સંસ્થાનું સંચાલન કાર્યકાર્યકારીઓ દ્વારા કરવામાં આવે છે. સંસ્થાનું સંચાલન કાર્યકાર્યકારીઓ દ્વારા કરવામાં આવે છે.



- “Company shall ensure that will be no changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals without specific written consent of SEBI.
- “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company obliged to bring the observations to the notice of NCLT.”
- “It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations.”

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

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

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

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

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

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities. Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

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

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

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

Yours faithfully,

Sd/-

Prasad Bhide
Manager



ॐ श्री गणेशाय नमः
BSE - INTERNAL



National Stock Exchange Of India Limited

Ref: NSE/LIST/28893_II

February 11, 2022

The Company Secretary
Bodal Chemicals Limited
Plot No. 123 & 124, Phase-I,
G.I.D.C., Vatva,
Ahmedabad – 382445.

Kind Attn.: Mr. Ashutosh Bhatt

Dear Sir,

Sub: Observation Letter for draft scheme of amalgamation of SPS Processors Private Limited with Bodal Chemicals Limited

We are in receipt of draft scheme of amalgamation of SPS Processors Private Limited with Bodal Chemicals Limited vide application dated November 01, 2021.

Based on our letter reference no. NSE/LIST/28893-I submitted to SEBI and pursuant to SEBI Master Circular dated December 22, 2020 (“Circular”), kindly find following comments on the draft scheme:

- a. *Company shall ensure disclosure of all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*
- b. *Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the Stock Exchanges.*
- c. *The Company is advised to add an explanatory statement to the application to be filed before the Hon'ble NCLT and to notices to be given to shareholders and creditors on:*
 - (a) *Increase in trade receivables and DSO of SPS Processors Private Limited*
 - (b) *Negative cash flow from operating activities*
 - (c) *Increase in losses for last 3 financial years and six months period ended on February 08, 2022*
- d. *The Company shall ensure that it adds an explanatory statement to the application to be filed before the Hon'ble NCLT and to notices to be given to shareholders and creditors explaining the rationale as how SPS processors Private limited will maintain their positive cash flows from operating activities if “it would have been operated as a separate going concern entity”.*
- e. *The entities involved in the scheme shall duly comply with various provisions of the said Circular.*



This Document is Digitally Signed
Signer: Mahesh P. Bhandari
Date: Fri, Feb 11, 2022 21:23:36 IST
Location: NSE

National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051,
India +91 22 26598100 | www.nseindia.com | CIN U67120MH1992PLC069769

- f. Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.
- g. Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to shareholders.
- h. Company shall ensure that no changes are made to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.
- i. Company is advised that the observations of SEBI/Stock Exchange(s) shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.
- j. It is to be noted that the petitions are filed by the Company before Hon 'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/Stock Exchange(s). Hence, the company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

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

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from February 11, 2022 within which the scheme shall be submitted to NCLT.

This Document is Digitally Signed

Signer: Harshad P Dharod
Date: Fri, Feb 11, 2022 21:23:36 IST
Location: NSE





The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Harshad Dharod
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed



Signer: Harshad P Dharod
Date: Fri, Feb 11, 2022 21:23:36 IST
Location: NSE



Sec/21-22/103
Date: 25-12-2021
To,
BSE Limited
P.J. Towers, Dalal Street,
Mumbai-400 001
Scrip Code: 524370

Sub: Report on Complaints in terms of SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020.

Ref: Application for grant of approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Application Number – 141125

Dear Sir/ Ma'am

This is in reference to our application under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for the Scheme of Amalgamation of S P S Processors Pvt Ltd ("Transferor Company") with the Company. i.e. Bodal Chemicals Ltd ("Transferee Company")

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


The period of 21 days from the hosting of Said Documents by the BSE (Bombay Stock Exchange) on their website i.e. 3rd December 2021 expired on 24th December 2021, accordingly, please find attached herewith Report on Complaints.

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

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

Thanking You,
Yours faithfully

For, Bodal Chemicals Ltd.


Ashutosh B Bhatt
Company Secretary
Encl: a/a



HEAD OFFICE:-

Plot No. 123-124, Phase-I,
G.I.D.C, Vatva, Ahmedabad-382 445,
Gujarat, India.

www.bodal.com
CTN No. : L24110GJ1986PLC009003

Tel +91 - 99099 50855
+91 - 99099 50856
E-mail info@bodal.com



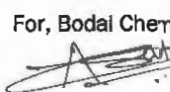
Complaints Report


Part A

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

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
Not Applicable			

For, Bodal Chemicals Ltd.

Ashutosh B Bhatt
Company Secretary





Sec/21-22/101
Date: 16-12-2021

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
Scrip Code: BODALCHEM

Sub: Report on Complaints in terms of SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020.

Ref: Application for grant of approval under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Application Number : 28893

Dear Sir/ Ma'am

This is in reference to our application under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for the Scheme of Amalgamation of S P S Processors Pvt Ltd ("Transferor Company") with the Company. i.e. Bodal Chemicals Ltd ("Transferee Company")

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

The period of 21 days from the hosting of Said Documents by the NSE (National Stock Exchange) on their website i.e. 24th November 2021 expired on 15th December 2021, accordingly, please find attached herewith Report on Complaints.

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

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

Thanking You,
Yours faithfully

For, Bodal Chemicals Ltd

Ashutosh B Bhatt
Company Secretary
Encl: a/a



HEAD OFFICE

Plot No. 123-124, Phase-I,
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Complaints Report


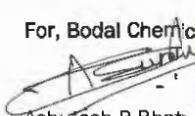
Part A

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

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
Not Applicable			

For, Bodal Chemicals Ltd.



Ashutosh B Bhat:
Company Secretary

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REPORT UNDER SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 ADOPTED BY THE BOARD OF DIRECTORS OF BODAL CHEMICALS LIMITED AT ITS MEETING HELD THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS HELD ON FRIDAY, 29th OCTOBER, 2021 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS AND CREDITORS

The Board of Directors ('Board') of Bodal Chemicals Limited ('BODAL' or 'Transferee Company' or 'the Company') at its meeting held on Friday, 29th October, 2021, had approved the Scheme of Amalgamation of S P S Processors Private Limited ('SPPL' or 'Transferor Company') with Bodal Chemicals Limited and their respective shareholders and creditors ('the Scheme'), under section 230-232 read with Section 66 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'). The Scheme is subject to requisite approvals of the jurisdictional National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India and stock exchanges. Further, the provisions of sections 232 (2) (c) of the companies act 2013 requires the Directors to adopt the report explaining the effect of Amalgamation on Equity shareholders, KMPS, Promoters, Non promoters shareholders of the companies laying out in particular the share exchange ratio and the same is required to be circulated to the Equity shareholders, Secured and unsecured creditors of the company.

1. BACKGROUND:

- 1.1. The Company holds 70% equity stake in SPPL.
- 1.2. The Amalgamation of SPPL with the Company, and dissolution of SPPL without winding up and consequent issuance of equity shares of the Company to the shareholders of SPPL in accordance with scheme of Amalgamation;
- 1.3. In terms of the SEBI circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated 23rd November 2021 (as amended from time to time) ("SEBI Circular"), a report from the Audit Committee is required recommending the draft scheme, taking into consideration, *inter alia*, the valuation report. This report is made in order to comply with the requirements of the SEBI circular;
- 1.4. In this regard, the Board considered, *inter alia*, the following:
 - 1.4.1. Draft Scheme of Amalgamation duly initialed Mr. Suresh J Patel, Designation; Chairman and Managing Director
 - 1.4.2. Share Exchange Valuation Reports dated 29th October 2021 issued by M/s. Pinakin Shah, Registered Valuer having IBBI Registration No IBBI/RV/05/2019/10728;
 - 1.4.3. Fairness opinion dated 29th October 2021 issued by M/s. Tipsons Consultancy Services Pvt. Ltd, a SEBI Registered (Category - I) Merchant Banker having SEBI registration No. INM00011849 on the share exchange ratio;



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CIN No. U24199GJ09BPLC009003



- 1.4.4. Certificate from M/s Deloitte Haskins & Sells LLP, Statutory Auditors confirming that the accounting treatment contained in the Scheme is in compliance with all the Accounting Standards under Section 133 of the Companies Act, 2013, read with rules framed thereunder or the Accounting Standards issued by the ICAI, as applicable and other generally accepted accounting principles;
- 1.4.5. Audited financial statements of the Company and SPPL for last 3 years and Audited financial statements of SPPL as on 30th September 2021
- 1.4.6. Unaudited financial statements of Bodal as on 30-09-2021 and Limited review financial statements of the Company as on 30-09-2021.
- 1.4.7. Detailed Business Synergy Report explaining the impact of the Scheme on various stakeholders and the merged entity.
- 1.4.8. The Board considered the report of the Management Committee, Audit Committee and Independent Directors committee placed before it, as recommended by the Management Committees held on 28th October, 2021.

2. SALIENT FEATURES OF PROPOSED SCHEME:

The Salient features of the proposed Scheme are as follows:

- 2.1 The Scheme provides for amalgamation of SPPL with the Company;
- 2.2 The accounting treatment to be followed for the Scheme is in accordance with the principles as laid down in the applicable Indian Accounting Standards and the applicable provisions of the Companies Act, 2013 and generally accepted accounting principles in India;
- 2.3 The proposed Appointed Date shall be April 1, 2021;
- 2.4 Consideration: Upon the Scheme becoming effective;
 - a. 61 (Sixty One) new equity shares of the Transferee Company of the face value of Rs. 2/- (Rupees Two Only) each, credited as fully paid-up to be issued for every 1 (One) equity share of Rs. 100/- (Rupees Hundred Only) each fully paid-up held by such member (other than the Transferee Company itself) in the Transferor Company.
- 2.5 Upon the proposed merger being effective, all assets, liabilities, contracts, rights, obligations, etc. of SPPL as at appointed date shall stand transferred to the Company;
- 2.6 Upon the Scheme being effective, SPPL shall stand dissolved without any further act or deed.



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3. Effect of the Scheme of Amalgamation on Equity Shareholders (promoter shareholders and non-promoter shareholders), Creditors, KMP and Employee of BODAL

- 3.1 Under the scheme, an amalgamation is sought to be entered into Bodal and its equity shareholders. Upon the scheme coming into effect, 61 (Sixty One) New Equity Shares of Rs. 2/- (Rupee Two only) each credited as fully paid-up of Bodal to be issued for every 1 (One) equity shares of the face value of Rs.100/- (Rupees Hundred only) each held by the equity shareholders (other than Bodal itself) in the SPPL;
- 3.2 In respect of the Scheme, an amalgamation is sought to be entered into between Bodal and its creditors though no liabilities of the creditors of Bodal is being reduced or being extinguished under the Scheme. The creditors of Bodal would not be prejudicially affected by the Scheme.
- 3.3 The scheme does not envisage any change in the terms of the existing employees of Bodal. Upon effectiveness of this Scheme, all employees of SPPL as on the Effective Date shall become the employees of Bodal without any interruption of or break in service and in the manner provided in the Scheme. By addition in the employees' strength of Bodal on account of the said scheme, rights of the existing employees of Bodal would not be affected in any manner.
- 3.4 There is no effect of the Scheme on the Key Managerial Personnel and/ or the Directors of Bodal.
- 3.5 Further, none of the Directors, Key Managerial Personnel (as defined under the Companies Act, 2013 and Rules framed thereunder) of Bodal and their respective relatives (as defined under the Companies Act, 2013 and Rules framed thereunder) have any interest in the Scheme except to the extent of the shares held by them in respective companies involved in the Scheme and/or to the extent that the said Directors, Key Managerial Personnel and their respective relatives are the Directors, members of the Companies that hold shares in respective companies involved in the Scheme. Save as aforesaid, none of the said Directors, Key Managerial Personnel have any material interest in the Scheme.

4. Valuation of the Share Exchange/ Entitlement Ratio:

Mr. Pinakin Shah, Independent Registered valuer, having IBBI Registration No. IBBI/RV/05/2019/10728 has issued a report on the valuation of shares.

The said Valuation Report has been duly considered by the Board of Directors of the Transferee Company.



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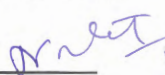


4.1 Based on the Valuation Report, the Board of Directors approved share exchange ratio i.e.61 (Sixty One) new equity shares of the Transferee Company of the face value of Rs. 2/- (Rupees Two Only) each, credited as fully paid-up to be issued for every 1 (One) equity share of Rs. 100/- (Rupees Hundred Only) each fully paid-up held by such member (other than the Transferee Company itself) in the Transferor Company.

4.2 No special valuation difficulties were reported.

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

For and on behalf of the Board of directors of
Bodal Chemicals Limited



Sureshbhai J. Patel
Chairman and Managing Director
DIN: 00007400



Place: Ahmedabad
Date: 29thOctober 2021

HEAD OFFICE :

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SPS PROCESSORS (P) LTD.

Plot No. 123 & 124, GIDC, Phase-1, Vatva, Ahmedabad-382445, Gujarat, India
Contact No: 079-25835437 E-mail Id: sps.processors2002@gmail.com



2. SALIENT FEATURES OF PROPOSED SCHEME:

The Salient features of the proposed Scheme are as follows:

- 2.1 The Scheme provides for amalgamation of SPPL with the Bodal
- 2.2 The accounting treatment to be followed for the Scheme is in accordance with the principles as laid down in the applicable Indian Accounting Standards and the applicable provisions of the Companies Act, 2013 and generally accepted accounting principles in India;
- 2.3 The proposed Appointed Date shall be April 1, 2021;
- 2.4 Consideration: Upon the Scheme becoming effective;
 - a. 61 (Sixty One) new equity shares of the Transferee Company of the face value of Rs. 2/- (Rupees Two Only) each, credited as fully paid-up to be issued for every 1 (One) equity share of Rs. 100/- (Rupees Hundred Only) each fully paid-up held by such member (other than the Transferee Company itself) in the Transferor Company.
- 2.5 Upon the proposed merger being effective, all assets, liabilities, contracts, rights, obligations, etc. of SPPL as at appointed date shall stand transferred to the Bodal;
- 2.6 Upon the Scheme being effective, SPPL shall stand dissolved without any further act or deed.

3. Effect of the Scheme of Amalgamation on Equity Shareholders (promoter shareholders and non-promoter shareholders), Creditors, KMP and Employee of SPPL.

- 3.1 Under the scheme, an amalgamation is sought to be entered into Bodal and its equity shareholders. Upon the scheme coming into effect, 61 (Sixty One) New Equity Shares of Rs. 2/- (Rupee Two only) each credited as fully paid-up of Bodal to be issued for every 1 (One) equity shares of the face value of Rs.100/- (Rupees Hundred only) each held by the equity shareholders (other than Bodal itself) in the SPPL;
- 3.2 In respect of the Scheme, an amalgamation is sought to be entered into between SPPL and its creditors though no liabilities of the creditors of SPPL is being reduced or being extinguished under the Scheme. The creditors of SPPL would become the creditors of Bodal and hence not be prejudicially affected by the Scheme.
- 3.3 Upon effectiveness of this Scheme, all employees of SPPL as on the Effective Date shall become the employees of Bodal without any interruption of or break in service and in the manner provided in the Scheme.
- 3.4 Upon the effectiveness of the Scheme, the Key Managerial Personnel and/ or the Directors of SPPL will cease to be Key Managerial Personnel and/ or the Directors of SPPL.
- 3.5 Further, none of the Directors, Key Managerial Personnel (as defined under the Companies Act, 2013 and Rules framed thereunder) of SPPL and their respective relatives (as defined under the Companies Act, 2013 and Rules framed thereunder) have any interest in the Scheme except to the extent of the shares held by them in respective companies involved in

CIN: U24100GJ2002PTC127990



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REPORT UNDER SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 ADOPTED BY THE BOARD OF DIRECTORS OF S P S PROCESSORS PRIVATE LIMITED AT ITS MEETING HELD THROUGH VIDEO CONFERENCE/ OTHER AUDIO VISUAL MEANS ON THURSDAY 18TH NOVEMBER 2021 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS AND CREDITORS

The Board of Directors ('Board') of S P S Processors Private Limited ('SPPL' or 'Transferor Company' or 'the Company') at its meeting held on 18th November 2021, had approved the Scheme of Amalgamation of S P S Processors Private Limited ('SPPL' or 'Transferor Company') with Bodal Chemicals Limited ('Bodal' or 'Transferee Company') and their respective shareholders and creditors ('the Scheme'), under section 230-232 read with Section 66 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'). The Scheme is subject to requisite approvals of the jurisdictional National Company Law Tribunal and other regulatory authorities including Securities and Exchange Board of India and stock exchanges. Further, the provisions of section 232(2)(c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of Amalgamation on equity shareholders, key managerial personnel (KMPs), promoters and non-promoters shareholders of the Company laying out in particular the share exchange ratio and the same is required to be circulated to the equity shareholders and creditors of the Company.

1. BACKGROUND:

- 1.1. Bodal holds 70% equity stake in SPPL.
- 1.2. The Amalgamation of SPPL with the Bodal, and dissolution of SPPL without winding up and consequent issuance of equity shares of the Bodal to the shareholders of SPPL in accordance with scheme of Amalgamation;
- 1.3. In this regard, the Board considered, *inter alia*, the following:
 - 1.3.1. Draft Scheme of Amalgamation duly initialed
 - 1.3.2. Share Exchange Valuation Reports dated 29th October 2021 issued by M/s. Pinakin Shah, Registered Valuer having IBBI Registration No IBBI/RV/05/2019/10728;
 - 1.3.3. Fairness opinion dated 29th October 2021 issued by M/s. Tipsons Consultancy Services Pvt. Ltd, a SEBI Registered (Category - I) Merchant Banker having SEBI registration No. INM000011849 on the share exchange ratio;
 - 1.3.4. Certificate from M/s Deloitte Haskins & Sells LLP, Statutory Auditors confirming that the accounting treatment contained in the Scheme is in compliance with all the Accounting Standards under Section 133 of the Companies Act, 2013, read with rules framed thereunder or the Accounting Standards issued by the ICAI, as applicable and other generally accepted accounting principles;
 - 1.3.5. Audited financial statements of the Company and Bodal for last 3 years and Audited financial statements of SPPL as on 30th September 2021
 - 1.3.6. Unaudited financial statements of Bodal as on 30-09-2021 and Limited review financial statements of the Company as on 30-09-2021.
 - 1.3.7. Detailed Business Synergy Report explaining the impact of the Scheme on various stakeholders and the merged entity.

CIN: U24100GJ2002PTC127990



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the Scheme and/or to the extent that the said Directors, Key Managerial Personnel and their respective relatives are the directors, members of the Companies that hold shares in respective companies involved in the Scheme. Save as aforesaid, none of the said Directors, Key Managerial Personnel, have any material interest in the Scheme.

4. Valuation of the Share Exchange/ Entitlement Ratio:

Mr. Pinakin Shah, Independent Registered valuer, having IBBI Registration No. IBBI/RV/05/2019/10728 has issued a report on the valuation of shares.

The said Valuation Report has been duly considered by the Board of Directors of the Transferor Company.

4.1 Based on the Valuation Report, the Board of Directors approved share exchange ratio i.e. 61 (Sixty One) new equity shares of the Transferee Company of the face value of Rs. 2/- (Rupees Two Only) each, credited as fully paid-up to be issued for every 1 (One) equity share of Rs. 100/- (Rupees Hundred Only) each fully paid-up held by such member (other than the Transferee Company itself) in the Transferor Company.

4.2 No special valuation difficulties were reported.

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

For and on behalf of the Board of directors of
S P S Processors Private Limited

Dhwanik R Patel
Director



Place: Ahmedabad

Date: 18th November 2021

CIN: U24100GJ2002PTC127990

Deloitte Haskins & Sells LLP

Chartered Accountants
One International Center
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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BODAL CHEMICALS LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended 31st March, 2022 and (b) reviewed the Standalone Financial Results for the quarter ended 31st March, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Standalone Financial Results for the Quarter and Year Ended 31st March, 2022" of **BODAL CHEMICALS 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").

(a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended 31st March, 2022:

- 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 then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended 31st March, 2022

With respect to the Standalone Financial Results for the quarter ended 31st March, 2022, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended 31st March, 2022, 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.

Deloitte Haskins & Sells LLP

Basis for Opinion on the Audited Standalone Financial Results for the year ended 31st March, 2022

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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended 31st March, 2022 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 Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended 31st March, 2022 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended 31st March, 2022 that give a true and fair view of the net profit and other 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 the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, 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 are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended 31st March, 2022

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended 31st March, 2022 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 Standalone Financial Results.

Deloitte Haskins & Sells LLP

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 the Company's internal control.
- 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 Statement 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.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results of the Company to express an opinion on the Annual Standalone Financial Results.

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

We communicate with those charged with governance 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.



**Deloitte
Haskins & Sells LLP**

(b) Review of the Standalone Financial Results for the quarter ended 31st March, 2022

We conducted our review of the Standalone Financial Results for the quarter ended 31st March, 2022 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 SAs 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 31st March, 2022 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 report on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Varsha A. Fadte
Partner

(Membership No.103999)
UDIN: 22103999AJSCWS3637

Panaji, Goa, 27th May, 2022

Audited Standalone Financial Results for the Quarter and Year Ended 31st March, 2022						
(Rs. in Million)						
Sr. No.	Particulars	Quarter Ended			Year ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		Unaudited (Refer Note No. 10)	Unaudited	Unaudited (Refer Note No. 10)	Audited	Audited
	Income					
	Revenue from operations	5,450.22	5,094.91	4,060.35	18,735.69	11,297.31
	Other income	28.77	44.74	24.65	178.94	180.03
1	Total Income	5,487.99	5,139.65	4,085.03	18,914.63	11,477.34
	Expenses					
	a) Cost of materials consumed	3,098.75	3,156.86	2,822.99	11,152.09	7,685.39
	b) Purchase of stock-in-trade	0.86	0.02	0.75	2.08	2.90
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	13.02	(436.74)	(285.73)	(895.71)	(293.51)
	d) Employee benefits expense	266.56	285.94	167.67	1,017.34	706.34
	e) Finance costs	58.68	59.23	32.72	209.95	92.21
	f) Depreciation and amortisation expenses	109.14	109.14	70.37	435.26	279.90
	g) Bad debts written off (Refer Note No. 5)	-	-	130.75	-	173.25
	h) Other expenses	1,486.68	1,421.44	739.29	5,194.69	2,194.25
2	Total expenses	5,033.71	4,575.89	3,678.81	17,115.70	10,840.73
3	Profit before tax (1-2)	454.28	563.76	406.22	1,798.93	636.61
	Tax expense					
	Current tax	105.41	130.90	86.31	419.34	110.87
	Short/(Excess) Provision of Tax of Prior Years	(3.94)	-	(10.23)	(3.94)	(154.80)
	Deferred tax	1.89	8.55	26.25	25.30	197.38
4	Total Tax Expense	103.36	139.45	102.33	440.70	153.46
5	Profit for the period (3-4)	350.92	424.31	303.89	1,358.23	483.15
	Other Comprehensive Income (OCI)					
	Remeasurements of the defined benefit plans	3.56	0.75	(13.44)	5.80	2.84
	Income tax relating to items that will not be reclassified to Profit or Loss	(0.90)	(0.19)	3.39	(1.46)	(0.71)
6	Total Other Comprehensive Income / (Loss) for the period	2.66	0.56	(10.05)	4.34	2.13
7	Total Comprehensive Income for the period (5+6)	353.58	424.87	293.84	1,362.57	485.28
8	Paid-up Equity share capital (Face value of Rs. 2 per share)	244.96	244.96	244.66	244.96	244.66
9	Reserve Excluding Revaluation reserve as at balance sheet date	-	-	-	10,947.03	9,681.83
10	Basic Earnings Per Share (EPS) (Rs.)	2.88	3.47	2.48	11.09	3.95
11	Diluted Earnings Per Share (EPS) (Rs.)	2.87	3.46	2.48	11.08	3.94
	(not annualised for the quarter)	-	-	-	-	-

See Notes accompanying the financial results





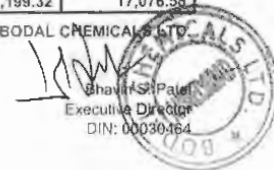
Bodal Chemicals Ltd.
COLOURS, INTEGRATION, INNOVATION.

Standalone Statement of Assets & Liabilities			(Rs. in Million)	
Particulars	As at	As at	As at	As at
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	Audited	Audited	Audited	Audited
A ASSETS				
1 Non-current assets				
(a) Property Plant and Equipment	7,466.39	7,567.59		
(b) Capital Work in Progress	694.53	44.85		
(c) Right of Use Assets	-	-		
(d) Goodwill	22.58	22.58		
(e) Other Intangible Assets	4.78	6.19		
(f) Financial Assets				
i. Investments	703.86	441.64		
ii. Loans	1,306.00	1,263.84		
iii. Other Financial Assets	491.15	210.27		
(g) Non-current tax assets	150.34	152.24		
(h) Other non-current assets	612.59	109.00		
Total Non current assets	11,452.22	9,813.20		
2 Current assets				
(a) Inventories	4,133.73	2,545.29		
(b) Financial Assets				
i. Trade receivables	3,811.84	2,889.61		
ii. Customers Bill Discounted	997.98	1,065.91		
iii. Cash and Cash Equivalents	25.72	60.56		
iv. Bank Balances other than (iii) above	58.48	43.72		
v. Loans	47.50	25.55		
vi. Other Financial Assets	7.43	7.21		
(c) Other current assets	572.45	604.31		
Total	9,655.13	7,242.18		
3 Assets held for sale	91.97	16.20		
Total Current assets	9,747.10	7,258.38		
TOTAL ASSETS	21,199.32	17,076.58		
B. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share capital	244.96	244.66		
(b) Other Equity	10,947.03	9,681.83		
Total Equity	11,191.99	9,926.49		
2 Liabilities				
a Non Current Liabilities				
(a) Borrowings	2,137.36	1,064.00		
(b) Provisions	-	37.88		
(c) Deferred Tax Liabilities (Net)	514.53	487.77		
Total Non Current Liabilities	2,651.89	1,589.65		
b Current Liabilities				
(a) Financial Liabilities				
i. Borrowings	3,266.74	2,225.54		
ii. Customers Bill Discounted	997.98	1,065.91		
iii. Trade Payables				
- Total outstanding dues of Micro and Small Enterprises	97.57	107.16		
- Total outstanding dues of creditors other than Micro and Small Enterprises	2,153.85	1,944.99		
iv. Other Financial Liabilities	532.41	75.94		
(b) Other Current Liabilities	236.31	101.50		
(c) Provisions	8.77	24.40		
(d) Current Tax Liabilities (Net)	61.81	15.00		
Total Current Liabilities	7,355.44	5,560.44		
Total Liabilities	10,007.33	7,150.09		
TOTAL EQUITY AND LIABILITIES	21,199.32	17,076.58		

Date : 27th May, 2022
Place : Ahmedabad



For, BODAL CHEMICALS LTD.



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Bodal Chemicals Ltd.
A BODAL GROUP COMPANY

Audited Standalone Statement of Cash Flows		
Particulars	(Rs. in Million)	
	Year Ended	
	31.03.2022	31.03.2021
	Audited	Audited
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit Before Tax	1 798.93	636.61
Adjustments for:		
Depreciation and Amortisation Expense	435.26	279.90
Unrealised Foreign Exchange Gain	8.79	8.43
Fair Value Gain on Investments measured through Profit or Loss	(0.42)	(32.44)
Mark-to-market loss on derivative financial instruments	0.06	0.68
Allowance for Doubtful Trade Receivables	1.03	(0.98)
Finance Costs	209.95	92.21
Expenses recognised in respect of Share based Payments	(0.59)	10.91
Loss / (Profit) on Sale of Property, Plant & Equipment (Net)	(7.07)	1.51
Interest and Dividend Income	(128.45)	(104.28)
Profit on Sale of Current Investments (Net)	(40.10)	(0.02)
Operating Profit before Working Capital Changes	2,277.39	892.53
Adjustment for:		
(Increase) in Trade Receivables	(846.65)	(233.38)
(Increase) in Inventories	(1,588.45)	(638.52)
(Increase) / Decrease in Financial Assets	61.57	(171.13)
(Increase) / Decrease in Other Assets	40.58	(142.12)
Decrease in Trade Payables	199.03	94.96
Increase in Other Financial Liabilities	317.95	15.35
Increase in Other Liabilities and Provisions	87.11	48.97
Cash generated from/(used in) Operations	548.53	(133.34)
Income Taxes Paid (Net of Refund)	(366.69)	(82.40)
Net Cash Flow (used in)/ generated from Operating Activities (A)	181.84	(215.74)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment including Capital Work in Progress and Capital Advances	(1,452.95)	(1,678.52)
Sale Proceeds of Property, Plant & Equipment	27.48	22.79
Loans given to Subsidiaries	(1,593.42)	(961.38)
Loans repaid by Subsidiaries	1,219.70	823.91
Loans given to Employees (Net)	(18.07)	(5.30)
Interest/Dividend received	127.88	97.94
Inter Corporate Loans received back	-	20.03
Bank Balances not considered as Cash and Cash Equivalents		
Placed	(72.10)	(32.79)
Matured	42.92	25.51
Investment in Current Investments	-	(80.00)
Proceeds from Sale of Current Investments	102.22	80.02
Investments in Equity Shares in Subsidiaries	(323.91)	(3.76)
Investments in Associates	-	(0.03)
Net Cash used in Investing Activities (B)	(1,940.25)	(1,711.58)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	1,073.36	1,064.00
Repayment of Long Term Borrowings	-	(0.19)
Increase in Short Term Borrowings (Net)	956.02	891.78
Proceeds from issue of Equity Shares under ESOP	1.52	-
Finance Costs Paid	(209.94)	(92.18)
Lease Liability Paid	-	(0.27)
Dividend Paid on Equity Shares	(97.41)	0.01
Net Cash from Financing Activities (C)	1,723.55	1,863.15
Net Decrease in Cash & Cash Equivalents	(34.86)	(64.17)
Cash & Cash Equivalents at the beginning of the year	60.58	124.75
Cash & Cash Equivalents at the end of the year	25.72	60.58

Date : 27th May, 2022
Place : Ahmedabad



For, BODAL CHEMICALS LTD.
D. Nitte Hasnani
Executive Director
DIN: 00030464

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Notes on standalone financials results:

- The above standalone financial results have been reviewed and considered by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 27th May, 2022.
- These standalone financial results have been prepared on the basis of the Audited Standalone Financial Statements of the Company for the year ended 31st March, 2022. The standalone financial results have been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, and also read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other accounting principles generally accepted in India.
- The COVID pandemic was unprecedented and had affected the operations as well as results of the Company in the previous year. The manufacturing facility of the Company which was shut down in the last week of March 2020 due to countrywide lockdown, resumed operations in a phased manner from the 11th May, 2020. Hence, figures of the year ended 31st March, 2021 are not comparable with the year ended 31st March, 2022.
- The Code on Social Security, 2020 and Code of wages, 2019 relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Codes have been published in the Gazette of India. However, the date on which the Codes will come into effect has not been notified. The Company will assess the impact of the Codes when it comes into effect and will record any related impact in the period the Codes become effective.
- Bad debts written off during the quarter and the year ended 31st March 2021, being a one-off item in the history of the Company has been shown separately in the Statement of Profit and Loss.
- During the previous year, the Company w.e.f. 31st March, 2021, had acquired the Chemical Unit known as 'Siel Chemical Complex (SCC)' of Mawana Sugars Limited, located at Rajpura, Punjab, on a going concern basis. The Company had accounted for the said acquisition in its books as a business acquisition in terms of Ind AS 103 - 'Business Combinations'. Such Business Combination required that the assets and liabilities of SCC be accounted at fair value in the Financial Statements at acquisition date. The acquisition date for the business combination was 31st March, 2021 and accordingly, it had been accounted on the provisional fair values bases. During the financial year, the Company has finalised the fair valuation of assets and liabilities which had been accounted on provisional basis in previous year. The determination of such fair value have been carried out by the independent agency appointed by the Company.

In accordance with paragraph 49 of Ind AS 103 - "Business Combinations", the standalone financial results have been revised for the comparative year. The financial effect of the increase to the figures in the comparative financial results are given below:

	31st March 2021 Amount in Million
Property, Plant & Equipment	78.57
Capital Reserve	61.19
Deferred Tax Liability	15.38

Consequent to acquisition of SCC, w.e.f. 31st March, 2021 the profit and loss for the quarter and year ended 31st March, 2022 is not comparable with the results of quarter and year ended 31st March 2021.

- A Scheme of Amalgamation of S P S Processors Private Limited (subsidiary) with the Company (the "Scheme") has been approved by the Board of Directors of the Company at their meeting held on 29th October, 2021, with effect from appointed date of 1st April, 2021. In-principle approval and No-Objection certificate has been received from the BSE, NSE. After receipt of No-Objection certificate and in-principle approval from Stock Exchanges the Scheme has been filed with National Company Law Tribunal and awaiting order for direction of Meetings of Creditors and Shareholders.
- The Board of Directors have recommended, subject to the approval of shareholders, final dividend of Rs.0.80 (i.e. 40% of Face value of Rs.2.00) per equity share for the year ended 31st March 2022.
- In line with Ind AS - 108 - "Operating Segments", the operations of the Company fall under Chemical Business which is considered to be the only reportable business segment.
- The figures for the quarters ended on 31st March, 2022 and 31st March, 2021 are the balancing figures between audited figures for the full financial year and published year to date figures up to the third quarter of the respective financial year.



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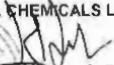


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- 11 Figures of previous reporting periods have been regrouped wherever necessary to correspond with the figures of the current reporting period.
- 12 The full financial results are also available on the stock exchanges' website i.e. www.bseindia.com and www.nseindia.com and on the Company's website i.e. www.bodal.com

Date : 27th May, 2022
Place : Ahmedabad

For, BODAL CHEMICALS LTD.

Bhavin S. Patel
Executive Director
DIN: 00030464



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**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED
FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
BODAL CHEMICALS LIMITED**

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended 31st March, 2022 and (b) reviewed the Consolidated Financial Results for the quarter ended 31st March, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Consolidated Financial Results for the Quarter and Year Ended 31st March, 2022" of **BODAL CHEMICALS LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its associate, for the quarter and year ended 31st March, 2022, ("the Statement") being submitted by the Parent 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 other auditors on separate financial statements of subsidiaries and an associate referred to in Other Matters section below, the Consolidated Financial Results for the year ended 31st March, 2022:

(i) includes the results of the following entities:

1. Bodal Chemicals Limited – Parent
2. SPS Processors Private Limited – Subsidiary
3. Bodal Chemicals Trading Private Limited- Subsidiary
4. Bodal Chemicals Trading (Shijiazhuang) Co., Ltd.- Subsidiary
5. Bodal Bangla Limited- Subsidiary
6. Şen-er Boya Kimya Tekstil Sanayi Ve Ticaret Ltd. Şti.- Subsidiary
7. Senpa Dis Ticaret Anonim Sirketi– Subsidiary
8. PT Bodal Chemicals Indonesia INC.
9. Plutoeco Enviro Association - Associate Company

(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 income and other financial information of the Group for the year ended 31st March, 2022.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended 31st March, 2022

With respect to the Consolidated Financial Results for the quarter ended 31st March, 2022, 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 31st March, 2022 of 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 31st March, 2022, 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 on the Audited Consolidated Financial Results for the year ended 31st March, 2022

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 Group and its associate 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 31st March, 2022 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 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 Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended 31st March, 2022, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended 31st March, 2022 that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its associate 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 Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate 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 Parent, as aforesaid.



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In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and of its associate 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 Group and of its associate are responsible for overseeing the financial reporting process of the Group of its associate.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended 31st March, 2022

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended 31st March, 2022 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 Group and its associate 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 Group and its associate 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.



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- 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 Group and its associate to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by 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 Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors 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 31st March, 2022

We conducted our review of the Consolidated Financial Results for the quarter ended 31st March, 2022 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.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

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.

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Other Matters

- The Statement includes the results for the Quarter ended 31st March, 2022 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 report on the Statement is not modified in respect of this matter.

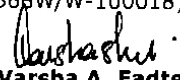
- We did not audit the financial statements / information of 4 (four) subsidiaries included in the consolidated financial results, whose financial statements / information reflect total assets of Rs. 2,278.87 Million as at 31st March 2022 and total revenues of Rs. 752.84 Million and Rs. 2,619.32 Million for the quarter and year ended 31st March 2022 respectively, total net loss after tax of Rs 59.17 Million and Rs. 384.49 Million for the quarter and year ended March 31, 2022 respectively and total comprehensive loss of Rs. 58.94 Million and Rs. 384.15 Million for the quarter and year ended 31st March 2022 respectively and net cash inflows of Rs. 20.53 Million for the year ended 31st March 2022, as considered in the Statement. The consolidated financial results also includes the Group's share of profit after tax and total comprehensive income of Rs. Nil for the quarter and year ended 31st March 2022, as considered in the Statement, in respect of the associate whose financial statements have not been audited by us. These financial statements / information have been audited, by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and the associate, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

- The consolidated financial results includes the unaudited financial statements of 3 (Three) subsidiaries, whose financial statements / information reflect total assets of Rs. 79.18 Million as at 31st March, 2022 and total revenues of Rs. 36.75 Million and Rs. 363.89 Million for the quarter and year ended 31st March 2022 respectively, total net loss after tax of Rs. 3.69 Million for the quarter and net profit after tax of Rs. 19.34 Million for the year ended 31st March, 2022 and total comprehensive loss of Rs. 3.69 Million for the quarter and total comprehensive income of Rs. 19.34 Million for the year ended 31st March, 2022 and net cash inflows of Rs. 0.92 Million for the year ended 31st March, 2022, as considered in the Statement. These financial statements / information are unaudited and have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements / information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements / information are not material to the Group.

Our report on the Statement is not modified in respect of the above matter with respect to our reliance on the financial statements / information certified by the Board of the Directors.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


Varsha A. Fadte

Partner
(Membership No.103999)
UDIN: 22103999AJSHML9236

Panaji, Goa, 27th May, 2022



Bodal Chemicals Ltd.
COLOUR • INTEGRATION • INNOVATION

Audited Consolidated Financial Results for the Quarter and Year Ended 31st March, 2022

Sr. No.	Particulars	Quarter Ended			Year ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		Unaudited (Refer Note No.11)	Unaudited	Unaudited (Refer Note No.11)	Audited	Audited
Income						
	Revenue from operations	5,972.95	5,618.08	4,327.33	20,508.21	12,264.33
	Other income	25.86	66.35	(1.31)	173.44	159.34
1	Total Income	5,998.81	5,684.43	4,326.02	20,679.65	12,423.67
Expenses						
	a) Cost of materials consumed	3,459.49	3,424.67	2,328.02	12,069.73	7,637.59
	b) Purchase of stock-in-trade	97.09	83.75	594.92	303.27	644.29
	c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(48.69)	(417.22)	(227.73)	(842.77)	(332.31)
	d) Employee benefits expense	288.41	291.78	188.64	1,104.55	777.48
	e) Finance costs	64.45	92.28	57.87	294.77	186.48
	f) Depreciation and amortisation expenses	119.43	115.76	77.80	466.17	304.85
	g) Bad debts written off [Refer Note No.7]	-	-	130.75	-	173.25
	h) Other expenses	1,638.68	1,551.64	850.85	5,675.57	2,498.20
2	Total expenses	5,618.86	5,142.86	4,001.32	19,071.29	11,869.83
3	Profit before share of profit from associates, exceptional items and tax (1-2)	379.95	541.57	324.70	1,608.36	553.84
4	Share of profit/loss from associates (net)	-	-	-	-	-
5	Profit before exceptional items and tax (3-4)	379.95	541.57	324.70	1,608.36	553.84
6	Exceptional items [Refer Note No. 9]	-	187.91	-	-	187.91
7	Profit before tax (5-6)	379.95	353.66	324.70	1,420.45	553.84
Tax expense/ (reversal)						
	Current tax	108.22	143.41	89.43	438.60	126.93
	Short/ Excess/ Provision of Tax of Prior Years	(3.94)	-	(10.23)	(3.94)	(154.83)
	Deferred tax	(12.77)	9.31	28.12	(0.84)	184.07
8	Total Tax Expense	91.51	153.12	107.32	433.82	155.17
9	Profit for the period (7-8)	288.44	200.54	217.38	986.63	397.67
Other Comprehensive Income (OCI)						
	(a) Items that will not be reclassified to Profit or Loss	4.21	0.78	(13.49)	6.28	2.96
	(b) Income tax relating to items that will not be reclassified to Profit or Loss	(1.09)	(0.19)	3.42	(1.60)	(0.73)
	(c) Items that will be reclassified to profit or loss	9.44	79.19	23.72	95.48	9.61
10	Total Other Comprehensive Income for the period	12.56	79.78	13.65	90.16	11.84
11	Total Comprehensive Income for the period (9+10)	301.00	280.32	231.03	1,076.79	409.51
12	Profit for the period attributable to:					
	- Owners of the company	308.74	243.21	235.72	1,076.87	419.82
	- Non Controlling Interest	(20.30)	(42.67)	(18.34)	(90.04)	(22.15)
13	Other Comprehensive Income/(loss) for the period attributable to:					
	- Owners of the company	10.38	65.22	8.61	72.21	8.87
	- Non Controlling Interest	2.18	(4.56)	5.04	17.95	2.97
14	Total Comprehensive Income for the period attributable to:					
	- Owners of the company	319.12	308.44	244.33	1,148.88	428.69
	- Non Controlling Interest	(19.12)	(28.11)	(13.30)	(72.08)	(19.18)
15	Paid-up Equity share capital (Face value of Rs. 2 per share)	244.96	244.96	244.66	244.96	244.66
16	Reserve Excluding Revaluation reserve as at balance sheet date	-	-	-	10,313.03	9,568.54
17	Basic Earnings Per Share (EPS) (Rs.)	2.52	2.21	1.75	8.79	3.25
18	Diluted Earnings Per Share (EPS) (Rs.)	2.52	2.20	1.74	8.79	3.24
	(not annualised for the quarter)	-	-	-	-	-

See Notes accompanying the financial results



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Bodal Chemicals Ltd.
COLOUR... INTEGRATION... INNOVATION

Consolidated Statement of Assets & Liabilities			
(Rs. in Million)			
Particulars		As at 31.03.2022	As at 31.03.2021
		Audited	Audited
A	ASSETS		
1	Non-current assets		
	(a) Property Plant and Equipment	8,011.16	7,876.50
	(b) Capital Work in Progress	695.29	144.46
	(c) Right of Use Assets	1.64	4.10
	(d) Goodwill on Consolidation	84.75	84.75
	(e) Intangible Assets	69.16	79.52
	(f) Financial Assets		
	i. Investments	2.72	64.41
	ii. Loans	17.21	21.08
	iii. Other Financial Assets	172.80	219.72
	(g) Deferred Tax Assets	90.84	64.84
	(h) Non-current tax assets	152.24	153.33
	(i) Other non-current assets	617.64	132.38
	Total Non current assets	9,915.45	8,845.09
2	Current assets		
	(a) Inventories	4,446.26	3,072.09
	(b) Financial Assets		
	i. Trade receivables	4,898.31	3,610.80
	ii. Customers Bill discounted	997.98	1,065.92
	iii. Cash and Cash Equivalents	93.00	119.14
	iv. Bank Balances other than (iii) above	58.48	43.72
	v. Loans	47.81	28.26
	vi. Other Financial Assets	9.74	7.75
	(c) Other current assets	664.11	745.19
	Total	11,215.69	8,692.87
3	Assets held for sale	91.97	16.20
	Total Current assets	11,307.66	8,709.07
	TOTAL ASSETS	21,223.11	17,554.16
B	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity Share capital	244.98	244.66
	(b) Other Equity	10,313.03	9,569.54
	Equity attributable to Equity holders of the parent	10,557.99	9,814.20
2	Non-Controlling Interest	(34.48)	46.07
	Total Equity	10,523.51	9,860.27
3	Liabilities		
a	Non Current Liabilities		
	(a) Financial Liabilities		
	i. Borrowings	2,137.36	1,064.00
	(b) Lease Liabilities	1.01	3.10
	(c) Provisions	2.43	37.88
	(d) Deferred Tax Liabilities (Net)	514.53	487.77
	Total Non Current Liabilities	2,655.33	1,592.75
b	Current Liabilities		
	(a) Financial Liabilities		
	i. Borrowings	3,619.65	2,402.58
	ii. Customers Bill discounted	997.98	1,065.91
	iii. Lease Liabilities	0.80	1.29
	iv. Trade Payables		
	- Total outstanding dues of Micro and Small Enterprises	99.43	108.59
	- Total outstanding dues of creditors other than Micro and Small Enterprises	2,442.34	2,115.67
	v. Other Financial Liabilities	537.12	82.40
	(b) Other Current Liabilities	271.50	282.44
	(c) Provisions	9.71	24.40
	(d) Current Tax Liabilities (Net)	85.74	17.86
	Total Current Liabilities	8,044.27	6,101.14
	Total Liabilities	10,599.60	7,693.89
	TOTAL EQUITY AND LIABILITIES	21,223.11	17,554.16

Date : 27th May, 2022
Place : Ahmedabad



For, BODAL CHEMICALS LTD.

Executive Director
DIN: 08830464

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Bodal Chemicals Ltd.
COLOUR INNOVATION. CHEMICALS

Audited Consolidated Statement of Cash Flows			
		(Rs. in Million)	
Particulars	Year Ended		
	31.03.2022	31.03.2021	
	Audited	Audited	
A CASH FLOWS FROM OPERATING ACTIVITIES			
Profit Before Tax	1,420.45	553.84	
Adjustments for			
Depreciation and Amortisation Expense	466.17	304.85	
Gain on Recognition of Lease Assets	-	(0.01)	
Unrealised Foreign Exchange Gain	(1.33)	11.21	
Fair Value Gain on Investments measured through Profit or Loss	(0.42)	(32.44)	
Mark-to-market loss on derivative financial instruments	0.06	0.68	
Allowance for Doubtful Trade Receivables	(0.06)	(2.58)	
Finance Costs	294.77	166.48	
Expenses recognised in respect of Share based Payments	(0.59)	10.91	
Loss / (Profit) on Sale of Property, Plant & Equipment (Net)	(7.05)	1.16	
Interest and Dividend Income	(120.06)	(76.28)	
Profit on Sale of Current Investments (Net)	(40.10)	(0.02)	
Operating Profit before Working Capital Changes	2,011.76	937.80	
Adjustment for			
(Increase) in Trade Receivables	(1,200.64)	(124.87)	
(Increase) in Inventories	(1,374.17)	(881.58)	
(Increase) / Decrease in Financial Assets	59.89	(173.76)	
(Increase) / Decrease in Other Assets	88.83	(150.33)	
Decrease in Trade Payables	317.28	124.42	
Decrease in Other Financial Liabilities	316.86	15.06	
Increase in Other Liabilities and Provisions	30.68	220.63	
Cash generated from/(used in) Operations	250.49	(32.63)	
Income Taxes Paid (Net of Refund)	(385.69)	(97.54)	
Net Cash Flow (used in) Operating Activities (A)	(135.20)	(130.17)	
B CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant & Equipment including Capital Work in Progress and Capital Advances	(1,590.82)	(1,781.26)	
Sale Proceeds of Property, Plant & Equipment	27.49	22.81	
Loans to Related Party	-	0.21	
Net Increase in Loans to Employees	(18.03)	(5.49)	
Interest/Dividend received	119.49	74.53	
Intra Corporate Loans received back	2.35	20.03	
Bank Balances not considered as Cash and Cash Equivalents			
Placed	(72.10)	(32.89)	
Matured	42.95	25.51	
Investment in Current Investments	-	(80.00)	
Proceeds from Sale of Current Investments	102.22	80.02	
Investments in Subsidiaries	(316.49)	-	
Investments in Associates	-	(0.03)	
Net Cash used in Investing Activities (B)	(1,702.94)	(1,676.56)	
C CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from Long Term Borrowings	1,073.36	1,064.00	
Repayment of Long Term Borrowings	-	(0.90)	
Increase in Short Term Borrowings (Net)	1,131.88	887.06	
Proceeds from issue of Equity Shares under ESOP	1.52	-	
Lease Liability Paid	(2.32)	(3.34)	
Finance Costs Paid	(295.03)	(166.21)	
Dividend Paid on Equity Shares	(97.41)	0.01	
Net Cash from Financing Activities (C)	1,812.00	1,781.22	
Net Decrease in Cash & Cash Equivalents	(26.14)	(25.51)	
Cash & Cash Equivalents at the beginning of the year	119.14	144.65	
Cash & Cash Equivalents at the end of the year	93.00	119.14	

Date: 27th May, 2022
 Place: Ahmedabad



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Notes on consolidated financial results:

- 1 The above consolidated financial results have been reviewed and considered by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on 27th May, 2022.
- 2 These consolidated financial results have been prepared on the basis of the Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2022. The consolidated financial results have been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder, and also read with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other accounting principles generally accepted in India.
- 3 The consolidated financial results are prepared in accordance with principles and procedures as set out in the IND AS 110 "Consolidated financial statements" prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under.
 The consolidated financial results include financial results of the following entities:
 - i. Bodal Chemicals Limited - Parent
 - ii. SPS Processors Private Limited - Subsidiary
 - iii. Bodal Chemicals Trading Pvt. Ltd. - Wholly Owned Subsidiary
 - iv. Bodal Chemicals Trading (Shijiazhuang) Co., Ltd. - Wholly Owned Subsidiary
 - v. Şener Boya Kimya Tekstil Sanayi Ve Ticaret Anonim Şirketi - Wholly Owned Subsidiary (w.e.f. 28th March 2022)
 - vi. Bodal Bangla Ltd. - Wholly Owned Subsidiary
 - vii. Sanpa Dis Ticaret Anonim Şirketi - Step down subsidiary: (wholly owned subsidiary of Şener Boya Kimya Tekstil Sanayi Ve Ticaret Anonim Şirketi)
 - viii. Plutoeco Enviro Association - Associate Company (w.e.f. 27th October, 2020)
 - ix. PT Bodal Chemicals Indonesia - Wholly Owned Subsidiary (w.e.f. 18th May, 2021)
- 4 The COVID pandemic was unprecedented and had affected the operations as well as results of the Group in the previous year. The manufacturing facility of the Group which was shut down in the last week of March 2020 due to countrywide lockdown, resumed operations in a phased manner from the 11th May, 2020. Hence, figures of the year ended 31st March, 2021 are not comparable with the year ended 31st March, 2022.
- 5 A Scheme of Amalgamation of S.P.S Processors Private Limited (subsidiary) with the Company (the "Scheme") has been approved by the Board of Directors of the Company at their meeting held on 29th October, 2021, with effect from appointed date of 1st April, 2021. In-principle approval and No-Objection certificate has been received from the BSE, NSE. After receipt of No-Objection certificate and in-principle approval from Stock Exchanges the Scheme has been filed with National Company Law Tribunal and availing order for direction of Meetings of Creditors and Shareholders.
- 6 The Code on Social Security, 2020 and Code of wages, 2019 relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Codes have been published in the Gazette of India. However, the date on which the Codes will come into effect has not been notified. The Group will assess the impact of the Codes when it comes into effect and will record any related impact in the period the Codes become effective.
- 7 Bad debts written off during the quarter and the year ended 31st March 2021, being a one-off item in the history of the Group has been shown separately in the Statement of Profit and Loss.
- 8 During the previous year, the Group w.e.f. 31st March, 2021, had acquired the Chemical Unit known as "Siel Chemical Complex (SCC)" of Mawana Sugars Limited, located at Rajpura, Punjab, on a going concern basis. The Group had accounted for the said acquisition in its books as a business acquisition in terms of Ind AS 103 - "Business Combinations". Such Business Combination required that the assets and liabilities of SCC be accounted at fair value in the Financial Statements at acquisition date. The acquisition date for the business combination was 31st March, 2021 and accordingly, it had been accounted on the provisional fair value bases. During the financial year, the Group has finalised the fair valuation of assets and liabilities which had been accounted on provisional basis in previous year. The determination of such fair value have been carried out by the independent agency appointed by the Company.

 In accordance with paragraph 49 of Ind AS 103 - "Business Combinations", the consolidated financial results have been revised for the comparative year. The financial effect of the increase to the figures in the comparative financial results are given below:

	31st March 2021 Amount in Million
Property, Plant & Equipment	76.57
Capital Reserve	61.19
Deferred Tax Liability	15.38
- Consequent to acquisition of SCC, w.e.f. 31st March, 2021 the profit and loss for the quarter and year ended 31st March, 2022 is not comparable with the results of quarter and year ended 31st March 2021.
- 9 Exceptional item for the year ended 31st March 2022 includes exchange rate fluctuations recorded at the subsidiary i.e. Şener Boya, Turkey, consequent to sharp depreciation of Turkish Lira (TRY) against the US dollar and Indian Rupee as at 31st December 2021. The US Dollar against TRY was 8.8433 and 13.0009 and the TRY against INR was 3,3484 and 5,5937 as at 30th September 2021 and 31st December 2021 respectively. The exchange rate fluctuations largely include the restatement of USD Loan, Trade liabilities and the restatement of the foreign operations of the Group in Turkey as at 31st December 2021.
- 10 The Board of Directors have recommended, subject to the approval of shareholders, final dividend of Rs.0.80 (i.e. 40% of Face value of Rs.2.00) per equity share for the year ended 31st March 2022.



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- 11 The figures for the quarters ended on 31st March, 2022 and 31st March, 2021 are the balancing figures between audited figures for the full financial year and published year to date figures up to the third quarter of the respective financial year.
- 12 In line with Ind AS - 108 - "Operating Segments", the operations of the Group fall under Chemical Business which is considered to be the only reportable business segment.
- 13 Figures of previous reporting periods have been regrouped wherever necessary to correspond with the figures of the current reporting period.
- 14 The full financial results are also available on the stock exchanges' website i.e. www.bseindia.com and www.nseindia.com and on the Company's website i.e. www.bodal.com

Date : 27th May, 2022
Place : Ahmedabad



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SATISH JAIN & CO.

CHARTERED ACCOUNTANTS

F-12/8A, BLOCK F, KRISHNA NAGAR, DELHI-110051

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
S P S PROCESSORS PRIVATE LIMITED
Plot No. 123 & 124, GIDC, Phase- I,
Vatva, Ahmedabad
GUJRAT 382445

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of S P S Processors Private Limited ("the Company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. 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 standalone financial statements 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 these standalone financial statements.

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 standalone financial statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company's ability 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 standalone financial statements 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement Cash Flow dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind As specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.

g. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

The Company has paid managerial remuneration to its directors during the year, and hence the provisions of section 197 read with Schedule V of the Act are applicable to the Company for the year ended March 31, 2022 and remuneration is as per the requirement of the said section and schedule.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has no pending litigations as on 31st March, 2022 in its standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education & Protection Fund by the Company during the year.



iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company From any person or entity, including foreign entity ("Funding Parties"),with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identifies in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid dividend during the year.

Place: Delhi
Date: 16th May 2022

For Satish Jain & Co.
Chartered Accountants
Firm Registration No. 011970N

CA Satish Kumar
Prop. / FCA
Membership No. 091006



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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to the paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note 2 on Property, Plant and Equipment are held in the name of the Company.
d) No Proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Hence reporting under Clause (i)(e) of paragraph 3 of the Order is not applicable.
- ii. a) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate; There has been no discrepancies of 10% or more in the aggregate for each class of inventory were noticed during the year.
b) The company has not been sanctioned working capital limits in excess of Rs. 5 crore , in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, the provision of Clause (ii)(b) of paragraph 3 of the said order is not applicable to the Company.
- iii. The Company has not made investment in, or provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties. Hence reporting under Clause (iii) of paragraph 3 of the said order is not applicable to the Company.
- iv. The Company has not granted any loans or investments made or provided any guarantees or security to the parties covered under Section 185 and 186 of the Companies Act, 2013.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under Clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete. The Cost Records are under preparation.
- vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us, there are no dues referred to in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute.



viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) The Company has taken any loans or other borrowings from any lender. Hence reporting under Clause (ix) (a) of paragraph 3 of the Order is applicable to the Company.

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Long Term borrowing	Bodal Chemicals Limited	Nil	Nil	Nil	Nil

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and hence, reporting under clause (ix)(c) of paragraph 3 of the order is not applicable. The Company has not taken any new loan during the year but had an existing loan as stated in above table.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) The Company does not have any subsidiaries, joint venture or associate Accordingly, Reporting under clause (ix)(e) of paragraph 3 of the order is not applicable.

f) The Company does not have any subsidiaries, joint venture or associate Companies. Accordingly, Reporting under clause (ix)(f) of paragraph 3 of the order is not applicable.

x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) paragraph 3 of the order is not applicable.

b) During the year, the Company has not been made any preferential allotment or private placement of the shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) paragraph 3 of the Order is not applicable.

xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) Section 177(9) of the Companies Act, 2013 is not applicable to the Company hence reporting under clause (xi)(c) of paragraph of the Order is not applicable.

xii. The Company is not a nidhi Company. Accordingly, reporting under Clauses (xii) of paragraph 3 of the Order is not applicable.

xiii. Section 177 of the Companies Act, 2013 is applicable to this Private Company (Deemed Public). In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.

xiv. In our opinion the Company is not required to have an internal audit system as per the provisions of the Companies Act, 2013. Accordingly, reporting under Clauses (xiv) of paragraph 3 of the Order is not applicable to the Company.



xv. In our opinion during the year the Company has not entered into any non-cash transaction with the Directors or Persons connected with its Directors and covered under Section 192 of the Act. Accordingly, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. a) According to the information and explanations given to us, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause (xvi)(a),(b) and(c) of paragraph 3 of the Order is not applicable to the Company.

b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause (xvi)(d) of paragraph 3 of the Order is not applicable.

xvii. The Company is has incurred cash losses of Rs. 12,33,56,319 during the year (P.Y. : Loss is Rs. 2,68,77,035/-)

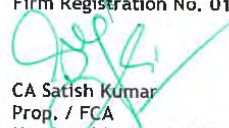
xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on date of the audit report indicating that Company is not capable of meeting its liabilities exists at the date of balance sheet as and when they fall due within a period of one year from the date of balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the date of balance sheet date, will get discharged by the Company as and when they fall due.

xx. Section 135 of Companies Act, 2013 is not applicable to the Company. Accordingly, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company.

xxi. The Company does not have any subsidiaries or associates or joint ventures. Accordingly, reporting under Clauses (xxi) of paragraph 3 of the Order are not applicable to the Company.

For Satish Jain & Co.
Chartered Accountants
Firm Registration No. 011970N


CA Satish Kumar
Prop. / FCA
Membership No. 091006



Place: Delhi
Date: 16th, May 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **S P S PROCESSORS PRIVATE LIMITED** (the "Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Control over Financial Reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Control over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Control over Financial Reporting included obtaining an understanding of Internal Financial Control over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Control system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's Internal Financial Control over Financial Reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over Financial Reporting, to future periods are subject to the risk that Internal Financial Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the criteria for internal financial controls over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Satish Jain & Co.
Chartered Accountants
Firm Registration No. 011970N

CA Satish Kumar
Prop. / FCA
Membership No. 091006



Place: Delhi
Date: 16th, May 2022

S P S PROCESSORS PVT. LTD.
BALANCE SHEET AS AT 31ST MARCH, 2022

PARTICULARS	Notes	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non - Current Assets :			
Property, Plant and Equipment	2	549,132,367	311,417,565
Capital work-in-progress		756,000	99,608,532
Intangible Assets	3	2,400	4,400
Financial Assets			
Other Financial Assets	4	9,169,933	9,216,621
Non-current tax Assets	5	1,742,997	1,001,131
Deferred Tax Assets (Net)	6	80,426,797	51,110,806
Other Non-current assets	7	5,049,060	29,469,224
Total Non - Current Assets		646,279,554	501,828,279
Current Assets			
Inventories	8	164,680,076	106,761,139
Financial Assets			
Trade Receivables	9	683,507,271	784,199,888
Cash and Cash Equivalents	10	12,261,470	6,947,998
Loans	11	325,307	2,707,984
Others Financial Assets	12	2,453	544,942
Other Current Assets	13	78,572,422	82,476,243
Total Current Assets		939,348,999	983,638,194
Total Assets		1,585,628,553	1,485,466,473
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	16,233,400	16,233,400
Other Equity	15	(131,174,914)	(17,173,318)
Total Equity		(114,941,514)	(939,918)
Non-Current Liabilities			
Financial Liabilities			
Borrowings	16	1,288,791,167	1,161,369,662
Provisions	17	1,790,278	1,729,300
Total Non-Current Liabilities		1,290,581,445	1,163,098,962
Current Liabilities			
Financial Liabilities			
Trade Payables	18	376,328,072	143,944,895
Other Financial Liabilities	19	4,714,188	5,359,908
Other Current Liabilities	20	28,820,618	173,925,870
Provisions	21	125,744	76,756
Total Current Liabilities		409,988,622	323,307,429
Total Liabilities		1,700,570,067	1,486,406,391
Total Equity and Liabilities		1,585,628,553	1,485,466,473
Significant Accounting Policies	1		

Notes are an integral part of the financial statements:

As Per Our Report of even date attached

For Satish Jain & Co.

Chartered Accountants

Firm Registration No. 011970N

(Satish Kumar)

Proprietor

Membership No. 91006

Delhi

May 16, 2022

For and on behalf of the Board of Directors

(Dhwanik Patel)

Director

Din:06555627

Ahmedabad

May 16, 2022

(Rakesh Patel)

Director

Din:01554932

S P S PROCESSORS PVT. LTD.
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2022

PARTICULARS	Notes	Amount (In Rs.)	
		Year 31st Mar, 2022	Year 31st Mar, 2021
INCOME			
Revenue from Operations	22	1,596,813,478	982,818,977
Other Income	23	2,484,533	10,359,353
Total Revenue		1,599,298,011	993,178,330
EXPENSES			
Cost of materials consumed	24	1,237,982,800	593,249,314
Changes in Inventories of Finished Goods and Stock in Process	25	(58,728,419)	55,074,324
Employee Benefits Expenses	26	57,800,659	51,557,460
Finance Costs	27	99,758,518	86,357,652
Depreciation and Amortisation expense	28	20,824,741	14,336,996
Other Expenses	29	385,840,771	233,816,615
Total Expenses		1,743,479,071	1,034,392,361
Profit / (Loss) Before Taxes		(144,181,060)	(41,214,031)
Tax Expenses			
Current Tax		-	-
Deferred Tax		(29,533,310)	(10,769,920)
Taxes of earlier years		-	-
		(29,533,310)	(10,769,920)
Less : MAT Credit Entitlement		-	-
		(29,533,310)	(10,769,920)
Profit / (Loss) for the Year		(114,647,750)	(30,444,111)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		863,473	305,404
Income tax relating to items that will not be reclassified to profit and loss account		(217,319)	(79,405)
Total Comprehensive Income for the period		(114,001,596)	(30,218,112)
Earnings Per Share	36		
Basic and diluted		(706.25)	(187.54)
Significant Accounting Policies	1		
Notes are an integral part of the financial statements			

As Per Our Report of even date attached

For Satish Jain & Co
Chartered Accountants
Firm Registration No. 011970N

(Satish Kumar)
Proprietor
Membership No. 91006

Delhi
May 16, 2022

For and on behalf of the Board of Directors

(Dhwanik Patel)
Director
Din:06555627

(Rakesh Patel)
Director
Din:01554932

Ahmedabad
May 16, 2022

SPS PROCESSORS PVT. LTD.
STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2022

Statement of Changes in Equity

A. Equity Share Capital

Amount in Rs.

(1) As at 31st March 2022

Balance at the beginning of the Year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the Year	Changes in equity share capital during the current year	Balance at the end of the Year
16,233,400	-	16,233,400	-	16,233,400

(2) As at 31st March 2021

Balance at the beginning of the Year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the Year	Changes in equity share capital during the current year	Balance at the end of the Year
16,233,400	-	16,233,400	-	16,233,400

B. Other Equity

Securities Premium

(1) As at 31st March 2022

Balance at the beginning of the Year	Changes in Other Equity due to prior period errors	Restated balance at the beginning of the Year	Changes in Other Equity during the current year	Balance at the end of the Year
29,544,840	-	29,544,840	-	29,544,840

(2) As at 31st March 2021

Balance at the beginning of the Year	Changes in Other Equity due to prior period errors	Restated balance at the beginning of the Year	Changes in Other Equity during the current year	Balance at the end of the Year
29,544,840	-	29,544,840	-	29,544,840

Retained Earning

(1) As at 31st March 2022

Balance at the beginning of the Year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the Year	Changes in equity share capital during the current year	Balance at the end of the Year
(46,718,158)	-	(46,718,158)	(114,001,596)	(160,719,754)

(2) As at 31st March 2021

Balance at the beginning of the Year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the Year	Changes in equity share capital during the current year	Balance at the end of the Year
(16,500,046)	-	(16,500,046)	(30,218,112)	(46,718,158)

As Per Our Report of even date attached

For Satish Jain & Co.
Chartered Accountants
Firm Registration No. 011970N

For and on behalf of the Board of Directors


(Satish Kumar)
Proprietor

Membership No. 91006
Delhi
May 16, 2022




(Dhwanik Patel)
Director

Din:06555627
Ahmedabad
May 16, 2022


(Rakesh Patel)
Director

Din:01554932

SPS PROCESSORS PVT. LTD.		
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2022		
Amount (In Rs.)		
PARTICULARS	Year 2021-22	Year 2020-21
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before Tax and after exceptional items	(144,181,060)	(41,214,031)
Adjustment for		
Depreciation and Amortisation	20,824,741	14,336,996
Allowance for doubtful debts (net of bad debts)	(337,678)	-
Finance Cost	99,758,518	86,357,652
Loss / (Profit) Sale of Assets (Net)	23,079	(350,000)
Interest/Dividend/Rent received	(17,733)	(9,286,299)
Operating Profit before Working Capital Changes	(23,930,133)	49,844,318
Adjustment for :		
(Increase) in Trade Receivables	101,030,295	(74,269,613)
(Increase) / Decrease in Inventories	(57,918,937)	13,618,907
(Increase) / Decrease in Other Receivables	9,612,306	(44,925,199)
Increase in Trade Payables	88,251,364	47,197,834
Cash (Used in) / generated from Operations	117,044,895	(8,533,753)
Direct Taxes Paid/(Refund Received) (Net)	741,866	(214,942)
Net Cash from Operating Activities (A)	116,303,029	(8,318,811)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment including Capital Work in Progress and capital advances	(141,067,954)	(104,725,179)
Sale proceeds of Property, Plant and Equipment	15,000	350,000
(Increase) / Decrease in Loans to Employees	37,623	6,470
Inter corporate Loan Received back	2,345,054	-
Interest/Dividend/Rent received	17,733	9,286,299
Net Cash generated by / (used in) Investing Activities (B)	(138,652,544)	(95,082,410)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings - Non-Current	-	(371,951)
Loan received from Related Party - Non-Current	1,346,240,675	971,746,675
Loan paid to Related Party - Non-Current	(1,218,819,170)	(781,761,981)
Loan paid to Related Party - Current	-	-
Finance Cost paid	(99,758,518)	(86,357,652)
Net Cash generated by / used in Financing Activities (C)	27,662,987	103,255,091
NET INCREASE/(DECREASE) IN CASH & EQUIVALENTS	5,313,472	(146,130)
Cash & Cash Equivalents at the beginning of the period	6,947,998	7,094,128
Cash & Cash Equivalents at the end of the period	12,261,470	6,947,998
As Per Our Report of even date attached		
Significant Accounting Policies as per Note 1		
For Satish Jain & Co. Chartered Accountants Firm Registration No. 011970N Delhi	For and on behalf of the Board of Directors	
(Satish Kumar) Proprietor Membership No. 91006 Delhi May 16, 2022	(Dhwanik Patel) Director Din:06555627 Ahmedabad May 16, 2022	(Rakesh Patel) Director Din:01554932



To
The Board of Directors
Bodal Chemicals Limited,
 Plot No123/124, Phase I, GIDC,
 Vatva, Ahmedabad, Gujarat, 382445.

Dear Sir,

Sub: Certificate on adequacy and accuracy of disclosure of information pertaining to the SPS Processors Private Limited in the Abridged Prospectus in compliance with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with SEBI Master Circular SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021 for the purpose of proposed merger of SPS Processors Private Limited ("SPS") with Bodal Chemicals Limited ("Bodal") and their respective shareholders and creditors under section 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

We, M/s. Kunvarji Finstock Private Limited ("KFPL", "Kunvarji", "We" or "us"), a Category I Merchant Banker registered with SEBI, having registration no. MB/INM000012564 have been appointed by management committee of board of directors of Bodal Chemicals Limited for the purpose of certifying the adequacy and accuracy of disclosure of information provided in its Abridged Prospectus for the purpose of proposed merger of SPS Processors Private Limited ("SPS") with Bodal Chemicals Limited ("Bodal").

1. Scope and Purpose of the Certificate:

SEBI vide Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with SEBI Master Circular SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021 ("**SEBI Circular**") inter alia prescribed that the listed entity (in the present case "**Bodal Chemicals Limited (Bodal)**") shall include the applicable information pertaining to the unlisted entity involved in the scheme (in the present certificate, "**SPS**") in the format specified for abridged prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**"), in the explanatory statement or notice or proposal accompanying resolution to be passed, sent to the shareholders while seeking approval of the scheme. SEBI Circular further prescribes that the accuracy and adequacy of such disclosures shall be certified by a SEBI Registered Merchant Banker after following the due diligence process.

This certificate is being issued in compliance of above mentioned requirement under the SEBI Circular.



www.kunvarji.com

Kunvarji Finstock Pvt. Ltd.

Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Makarba, Ahmedabad - 380 051
 Phone:+91 79 6666 9000 | Fax : + 91 79 2970 2196 | Email: info@kunvarji.com
 Corporate Office : 05, Gr Floor, Summit Business Bay, Opp PVR Cinema, Near Western Express Highway- Metro Station, Andheri (E), Mumbai-400093
 CIN - U65910GJ1986PTC008979
 000085/2022

This certificate is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

2. Certification:

We state and confirm as follows:

- 1) We have examined various documents and other materials made available to us by the management of Bodal and SPS in connection with finalization of Abridged Prospectus dated 08/06/2022 pertaining to SPS, which will be circulated to the members of all the companies i.e. SPS and Bodal at the time of seeking their consent to the proposed scheme of arrangement between SPS and Bodal as a part of explanatory statement to the notice.
- 2) On the basis of such examination and the discussion with the management of SPS and Bodal, we confirm that:
 - A. The information contained in the Abridged Prospectus is in conformity with the relevant documents, materials and other papers related to SPS.
 - B. The Abridged Prospectus contains applicable information pertaining to SPS as required in terms of SEBI Circular, which, in our view is fair, adequate and accurate to enable the members to make an informed decision on the Scheme of Arrangement.

3. Disclaimer:

Our scope of work did not include the following:-

- An audit of the financial statements of SPS.
- Carrying out a market survey / financial feasibility for the business of SPS.
- Financial and Legal due diligence of SPS.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose and other than reviewing the consistency of such information, we have not sought to carry out an independent verification thereof we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of SPS and Bodal.

We do not assume any obligation to update, revise or reaffirm this certificate because of events or transactions occurring subsequent to the date of this certificate.



www.kunvarji.com

Kunvarji Finstock Pvt. Ltd.

Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Makarba, Ahmedabad - 380 051
Phone:+91 79 6666 9000 | Fax : + 91 79 2970 2196 | Email: info@kunvarji.com
Corporate Office : 05, Gr Floor, Summit Business Bay, Opp PVR Cinema, Near Western Express Highway- Metro Station, Andheri (E), Mumbai-400093
CIN - U65910GJ1986PTC008979
000082/2022

We understand that the management of SPS and Bodal, during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our Certificate.

The fee for our services is not contingent upon the result of the Scheme of Arrangement.

The management of SPS, Bodal or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this certificate available to any party other than those required by statute for carrying out the limited purpose of this certificate.

Our certificate is not, nor should it be constructed as our opinion or certification of the compliance of the Scheme of Arrangement with the provision of any law including Companies Act, taxation laws, capital market laws and related laws.

We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/investors should buy, sell or hold any stake in the Company or any of its related parties (holding companies/subsidiaries/associates etc.)

In no event, KFPL, its Directors and employees will be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Yours faithfully,

For, Kunvarji Finstock Private Limited



Mr. Atul Chokshi
Director (DIN: 00929553)



Date: 08/06/2022
Place: Ahmedabad



www.kunvarji.com

Kunvarji Finstock Pvt. Ltd.

Registered Office : Kunvarji, B - Wing, Siddhivinayak Towers, Off. S.G. Road, Makarba, Ahmedabad - 380 051
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CIN - U65910GJ1986PTC008979
000083/2022

**APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS
(AS PROVIDED IN PART E OF SCHEDULE VI OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE
REQUIREMENT) REGULATIONS, 2018)**

This document contains information pertaining to unlisted entity involved in the proposed Scheme of Arrangement in nature of Amalgamation between Bodal Chemicals Limited (“Bodal” or “Transferee Company”), S P S Processors Private Limited (“SPS” or Transferor Company”) and their respective shareholders and creditors pursuant to Sections 230-232 of the Companies Act, 2013 and rules framed thereunder (“Scheme”). Bodal Chemicals Limited is hereinafter referred to as the “Resulting Company”. This Abridged Prospectus has been prepared in terms of the requirements specified in SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 as amended, SEBI Master Circular– SEBI/HO/CFD/DIL/CIR/P/2020/249 dated December 22, 2020 read with SEBI Master Circular SEBI/HO/CFD/DIL/CIR/P/2021/0000000665 dated November 23, 2021 (“SEBI Circular”). Copies of the documents as mentioned under the title “Any Other Important Information of Transferor Company on page 6 shall be available for inspection at Registered Office situated at Plot No 123 & 124, Phase-I, GIDC, Vatva, Ahmedabad-382445 during working hours on all working days from the date of this Abridged Prospectus till the completion of arrangement.

**THIS ABRIDGED PROSPECTUS CONTAINS 7 PAGES
PLEASE MAKE SURE YOU HAVE RECEIVED ALL THE PAGES**

<p>S P S PROCESSORS PRIVATE LIMITED Registered Office: Plot No 123 & 124, Phase-I, GIDC, Vatva, Ahmedabad – 382445, Gujarat Date of Incorporation: 20/06/2002 CIN: U24100GJ2002PTC127990 Contact Person: Mayur B Padhya; Telephone: 079 68160100; Website: -- Email: sps.processors2002@gmail.com</p>
<p>NAME OF PROMOTERS OF S P S PROCESSORS PRIVATE LIMITED</p>
<p>The promoters of S P S Processors Private Limited is Bodal Chemicals Limited.</p>
<p>SCHEME DETAILS, LISTING AND PROCEDURE</p>
<p>The Scheme of Arrangement provides for Amalgamation of S P S Processors Private Limited (Transferor Company) With Bodal Chemicals Limited (Transferee Company) through a Scheme of the Amalgamation (the Scheme) under provisions of Sections 230 to 232 of the Companies Act, 2013 and rules framed thereunder. As a consideration for the amalgamation, 61 (Sixty) Equity shares of Bodal Chemicals Ltd of face value Rs. 2.00/- each credited as fully paid share for every 01(One) share held in S P S Processors Pvt. Ltd. of the face value Rs 100/- each fully paid. Such equity shares (issued by Bodal Chemicals Ltd to the relevant equity shareholders of S P S Processors Pvt Ltd will be listed and admitted for trading on the Stock Exchanges.</p>
<p>PROCEDURE</p>
<p>The procedure with respect to public issue/offer would not be applicable as the Scheme does not involve issue of any equity shares to public at large. The issue of equity shares by Bodal Chemicals Ltd (Transferee Company) is only to the shareholders of the S P S Processors Pvt Ltd (Transferor Company), in accordance with the Scheme. Hence, the procedure with respect to GID (General Information Document) is Not Applicable.</p>
<p>STATUTORY AUDITORS OF S P S PROCESSORS PRIVATE LIMITED</p>
<p>Chartered Accountants: Satish Jain & Co. Address: F-12/8A, Block F, Krishna Nagar Delhi-11051 Firm Registration No. 011970N Contact Person: CA Satish Jain Tel: +91 98112 04035 email : satishjain35@yahoo.com</p>
<p>ELIGIBILITY FOR THE ISSUE</p>
<p>Whether the company is compulsorily required to allot at least 75% of the net public offer to public, to qualified institutional buyers – Not Applicable</p>
<p>INDICATIVE TIMELINE</p>
<p>The Abridged Prospectus is issued pursuant to the Scheme and is not an offer to public at large. The time frame cannot be established with absolute certainty, as the Scheme is subject to approvals from regulatory authorities, including the National Company Law Tribunal, Ahmedabad Bench at Ahmedabad (“NCLT”).</p>



GENERAL RISKS
Investments in equity and equity related securities involve a degree of risk and investors should not invest any funds in the equity of the Issuing Company unless they can afford to take the risk of losing their entire investment. Shareholders are advised to read the risk factors carefully before taking an investment decision in relation to the Scheme. For taking an investment decision, shareholders must rely on their own examination of the Company and the Scheme including the risks involved. The equity shares being offered in the Scheme have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the Abridged Prospectus. The Scheme does not envisage any issue to the public at large. Shareholders are advised to refer the title “Internal Risk Factors” on Page No. 5 of the Abridged Prospectus before making an investment in this Scheme.
PRICE INFORMATION
Not Applicable , since this abridged prospectus is prepared in relation to the Scheme.
PROMOTERS OF S P S PROCESSORS PVT LTD

The Promoter of S P Processors Pvt. Ltd. is Bodal Chemicals Limited.

Bodal Chemicals Ltd holds 70% Equity Stake of S P S processors Pvt Ltd Bodal Chemicals Limited, (CIN: L24110GJ1986PLC009003) (hereinafter referred to as ‘BODAL’ or “the Applicant Resulting Company”) was originally incorporated on 24th September 1986 under the provisions of the Companies Act, 1956, in the name and style of Dintex Dyechem Private Limited with the Registrar of Companies, Gujarat. The name of the company was changed to Dintex Dyechem Limited vide the certificate dated 12th November 1992. The name of the company was further changed to Bodal Chemicals Limited vide certificate dated 22nd May 2006. Bodal is a public limited company incorporated under the Companies Act, 1956 having its registered office at Plot No. 123-124, Phase-1, GIDC Estate, Vatva, Ahmedabad 382 445 in the state of Gujarat. The company is a listed Company with its shares listed on the National Stock Exchange India Limited (NSE) and the Bombay Stock Exchange Limited (BSE). The Transferee Company is inter alia engaged in the manufacturing as well as trading in various kinds of dyestuffs, dyes intermediates and basic & other chemicals etc. Company is also engaged in export and import of all such products.

BSE Code: 524370 NSE Code: BODALCHEM

Website: www.bodal.com Email: secretarial@bodal.com; Tel. No.: 079- 68160100

BUSINESS MODEL / BUSINESS OVERVIEW AND STRATEGY
--

S P S Processors Private Limited (CIN: U24100GJ2002PTC127990) (hereinafter referred to as “SPPL” or “Transferor Company”) is a private Limited company incorporated under the Companies Act, 1956 having its registered office at Plot No. 123 & 124,, GIDC, Phase- I, Vatva, Ahmedabad, Gujarat, 382445 in the state of Gujarat. The Transferor Company is presently engaged in the Manufacturing and trading of dyes intermediates i.e. H acid and vinyl sulphone. It is a subsidiary of Bodal Chemicals Limited, the Transferee Company, as 70 % of the share capital is held by the said Transferee Company. The Company has shifted its registered office from the state of Delhi to the State of Gujarat, as approved by the Regional Director, Northern Region, through its order dated 30th November,2021 and subsequently was registered with Registrar of Companies, Gujarat vide fresh certificate dated 14th December 2021.

Our Business Strategy and Key Performance Indicator:

- **Innovation and Product Development**

We believe that key factor to sustain, strengthen and succeed in our business, lies in ability to innovate and improvise production process and product mix. Considering that we have added production of vinyl sulphone along with H acid to save effluent treatment cost and improvement in operating margin.

- **Competitive Pricing**

To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market.

Strategic Location of Current manufacturing Facility

Location of Manufacturing Facility is of importance as it helps in designing the cost structure and lead time for delivery. This helps our logistics department to ensure timely and cost efficient delivery



Product / Services-wise revenue segmentation is given as under

(Amount in INR)				
Standalone	As of and for the period ended 31 st December 2021 (Provisional)	FY 2020-21	FY 2019-20	FY 2018-19
H Acid	1,02,05,07,354	97,32,90,830	1,06,29,16,740	80,09,14,803
Other Intermediates / By product	43,83,540	75,96,294	72,23,416	10,44,694
Raw Material Sales	-	1,21,266	-	-
Scrap Sales	57,49,738	18,10,587	14,33,000	9,26,448
Total	1,03,06,40,632	98,28,18,977	1,07,15,73,156	80,28,85,944

Geographies Served

(Amount in INR)				
Standalone	As of and for the period ended 31 st December 2021 (Provisional)	FY 2020-21	FY 2019-20	FY 2018-19
Domestic	1,03,06,40,632	98,28,18,977	1,07,15,73,156	80,28,85,944
Export	-	-	-	-
Total	1,03,06,40,632	98,28,18,977	1,07,15,73,156	80,28,85,944

Revenue segmentation in terms of top 5/10 clients:

Particular	Customers (up to 31 st December 2021)	
	Amount in INR	%
Top 5 Clients	1,02,72,50,575	99.67%
Top 10 Clients	1,03,05,30,550	99.99%

Industry Served: Dyestuff

Intellectual Property: NIL

Market Share: NA

Manufacturing Plant: Uttar Pradesh, India

Employee Strength: 170 Employees

Name of monitoring agency, if any: NA

BOARD OF DIRECTORS OF S P S PROCESSORS PVT LTD

Board of Directors of S P S Processors Private Limited:

Sr.	Name	Designation	Experience including current / past position held in other firms	Other Directorships
1.	Rakeshbhai Ravjibhai Patel	Director	<p>Mr. Rakesh Ravjibhai Patel, aged 56 years was designated as President – Production and Technical of Bodal Chemicals Ltd. Mr. Rakesh R Patel is In charge of Unit-VII Intermediates, Unit-VIII, Unit-IX.</p> <p>Mr. Rakesh R Patel, having DIN No 01554932, appointed as Director on the Board of S P S processors Pvt Ltd dated 10/07/2017.</p> <p>He Holds a bachelor's degree in Science from Sardar Patel University and associated with the Company (Bodal Chemicals Ltd) for more than 25+ years.</p> <p>Further, Mr. Rakesh R Patel hold 44,442 No. of Equity Shares of Bodal Chemicals Ltd and is covered under Promoter group category of Bodal Chemicals Ltd.</p>	Nil



2.	Dhwanik Kumar Rakeshbhai Patel	Director	Mr. Dhwanik R Patel, having DIN No. 06555627, appointed as Director on the Board of S P S Processors Pvt. Ltd. dated 20/08/2018. He holds a degree in Bachelor of Business Administration and having Vast Experience and knowledge in Business administration, Chemical production, technical and Marketing areas. He associated with the Bodal Chemicals Ltd, holding company of S P S processors Pvt Ltd with more than 5+ years.	Nil
3.	Sunil K Mehta	Independent Director	Mr. Sunil K Mehta, aged 61years, having DIN No. 01736527, is appointed as Independent Director on the Board of S P S processors Pvt. Ltd. dated 06/10/2020 He holds degree of M.COM, FCA & Law by qualification. Mr. Sunil K Mehta having 30+years' experience professional in finance, accounting and taxation. Further, Mr. Sunil K Mehta hold 2,00,000 No. of Equity Shares of Bodal Chemicals Ltd, holding company of S P S processors Pvt Ltd.	Other Director Ship/ Partnership: - Self-Proprietor at Sunil K. Mehta-Proprietorship firm - M/s. Dinesh M. Mehta & CO.- Partner - Bodal Chemicals Ltd- Independent Director
4.	Dhyanam Sunilkumar Vyas	Independent Director	Ms. Dhyanam Sunilkumar Vyas, aged adult, having DIN No. 08510955, is appointed as Independent Director on the Board of S P S processors Pvt. Ltd. dated 15/03/2022 She holds degree of CS, LLB and B.com by qualification. Ms. Dhyanam Sunilkumar Vyas having good experience professional in Company Law, legal etc.	Vital Strategic Advisors LLP

RATIONALE OF THE SCHEME

The Scheme of amalgamation of S P S Processors Pvt Ltd ("Transferor Company") with Bodal Chemicals Ltd ("Transferee Company") will result in following benefits:

Under this scheme of arrangement, all the Assets & Liabilities of S P S Processors will be taken over by Bodal Chemicals Ltd. The scheme is envisaged to provide following benefits:

1. The proposed amalgamation will offer an immense opportunity to consolidate the portfolio of brands and products that are relevant to the "chemical industry" under a single roof;
2. The proposed amalgamation will enable the merged entity to cater to the needs of entire value chain. This can have a better reach in terms of various customer base and will provide a stronger market position to the company;
3. The proposed amalgamation will result in operational synergies and efficiency for the merged entity. Accordingly, the Scheme would strengthen and complement the businesses of the Companies;
4. The Scheme would help in achieving synergies in business operations and streamlining the business activities for the Companies, combining the following activities which would result in significant growth in business: -
 - material procurement and storage;
 - FG storage and dispatches;
 - Internal movement of materials;
 - Sharing of common utilities;
 - Re-distribution of marketing portfolios thereby reducing marketing and travelling costs;

The Amalgamation of Transferor Company with the Transferee Company will result into enlarged combined assets base and will also provide an opportunity for the merged entity to leverage on such assets;
5. Greater integration and greater financial strength and flexibility for the Transferee Company, which would result in maximizing overall shareholders value, and will improve the competitive position of the merged entity;



6. The proposed amalgamation would help in enhancing the scale of operations, reduction in overheads, including administrative, statutory compliances, managerial and other expenditure, operational rationalization, organizational efficiency, and optimal utilization of resources by avoiding duplication of efforts; and
7. Taking into consideration the above synergies, the merged entity would result in better profitability and EBITDA margins, accordingly the stronger financials will provide a better opportunity in terms of better trade credits, financial resources and in negotiations for prices and suppliers credit terms for the merged entity.

The Scheme is in the interest of the shareholders, creditors and all other stakeholders of both companies and is not prejudicial to the interests of the concerned shareholders, creditors of the parties or the public at large.

SHAREHOLDING PATTERN OF S P S PROCESSORS PVT LTD (PRE AND POST ARRANGEMENT)

Shareholding Pattern of S P S Processors Pvt Ltd:

Sr. No.	Particular	Shareholding	
		Number of Equity Shares Held	% of Holding
1	Promoter and Promoter group	113634	70%
2	Public	48700	30%
Total		162334	100%

Note: Upon the scheme becoming effective, S P S Processors Pvt Ltd (the Transferor Company) would merge in to Bodal Chemicals Ltd (the Transferee Company) and the issued capital of the Transferor Company to Transferee Company would get cancelled. Further, other shareholders of Transferor Company will be allotted shares of Transferee Company in exchange ratio of 1:61, i.e. for every 1 share held of transferor company 61 shares of transferee company will be allotted.

AUDITED FINANCIALS OF S P S PROCESSORS PVT LTD (Amount in INR)				
Standalone (Figures in INR)	As of and for the period ended 31 st December 2021	FY 2020-21	FY 2019-20	FY 2018-19
Total Income from operation	1,03,06,40,632	98,28,18,977	1,07,15,73,156	80,28,85,944
Profit/(Loss) before Tax and Extraordinary Items	-6,93,63,822	-4,12,14,031	-3,35,65,970	2,28,72,575
Profit/(Loss) after Tax and Extraordinary Items	-5,13,22,292	-3,04,44,111	-2,48,10,230	1,63,93,250
Equity Share Capital	1,62,33,400	1,62,33,400	1,62,33,400	1,62,33,400
Reserves and Surplus	-6,83,17,634	-1,71,73,318	1,30,44,794	3,75,29,255
Net Worth	-5,20,84,234	-9,39,918	2,92,78,194	5,37,62,655
Basic Earnings per share	-316.15	-187.54	-152.83	100.98
Diluted Earnings per Share	-316.15	-187.54	-152.83	100.98
Return on Net Worth	N.A.	N.A.	-84.74%	30.49%
Net Asset Value per Share	-320.85	-5.79	180.36	331.19

Notes:

1 Reserves and Surplus values considered are Other Equity

2 Net Worth = Equity Paid-up capital + Other Equity + Unsecured Perpetual Securities

3 Return on Net Worth = Profit after tax / Net worth

4 Net Asset value per share = Net worth / Number of equity shares outstanding at the end of the year

INTERNAL RISK FACTORS

- We have experienced negative cash flows from operating activities for last three financial years. Any negative cash flows in the future would adversely affect our results of operations and financial condition.
- Our manufacturing process involves the use of hazardous and flammable industrial chemicals which entails significant risks and could also result in enhanced compliance obligations.
- Our Company does not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability or quality of such raw materials could have an adverse effect on our business and results of operations.
- Failure to meet quality standards required by our customers for our products and processes may lead to cancellation of existing and future orders.
- We operate in a highly competitive industry. Any inability to compete effectively may lead to a lower market share or reduced operating margins.
- Our future success will depend on our ability to effectively implement our business and growth strategies failing which



our results of operations may be adversely affected.

- The loss resulting from shutdown of operations at any of our plants could have an adverse effect on us.

SUMMARY OF OUTSTANDING LITIGATIONS CLAIMS AND REGULATORY ACTION

Total number of outstanding litigations against the company and amount involved are as under –

Particular	Criminal Proceedings	Tax Proceedings covered	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in amount)
Company (S P S Processors Pvt Ltd)						
By the Company	NIL	NIL	NIL	NIL	NIL	NIL
Against the Company	NIL	NIL	NIL	NIL	NIL	NIL
Directors of S P S Processors Pvt Ltd						
By our directors	NIL	NIL	NIL	NIL	NIL	NIL
Against the Directors	NIL	NIL	NIL	NIL	NIL	NIL
Promoter of S P S Processors Pvt Ltd- (Bodal Chemicals Ltd)						
By Promoter	NIL	NIL	NIL	NIL	NIL	NIL
Against Promoter	NIL	27	NIL	NIL	NIL	10,05,89,355
Subsidiaries of S P S processors Pvt Ltd						
By Subsidiaries	No Subsidiaries					
Against Subsidiaries	No Subsidiaries					

- Brief details of top 5 material outstanding litigations against company , promoters and directors and amount involved : **NIL**
- Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any :- **NIL**
- Brief details of outstanding criminal proceedings against Promoters:- **NIL**

ANY OTHER IMPORTANT INFORMATION OF S P S PROCESSORS PVT LTD

- **Authority for the issue** – The Scheme was approved by the Board of Directors of Bodal Chemicals Ltd (Transferee Company) on 29-10-2021 and approved by Board of Directors of S P S Processors Pvt Ltd (Transferor Company) on 21-10-2021. The Scheme is subject to approvals from the SEBI, Shareholders, Stock Exchanges, National Company Law Tribunal, Regional Director & Registrar of Companies.
- **Expert Opinion obtained, if any** – Valuation Report and Fairness Opinion
- **Material Contracts and Documents for Inspection:**
 1. Memorandum & Articles of Association
 2. Financial Statements & latest Shareholding Pattern
 3. Scheme of Arrangement
 4. Valuation Report and Fairness Opinion pursuant for the Scheme



DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 1956 & Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this abridged prospectus is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Abridged Prospectus are true & correct.

For, S P S Processors Pvt Ltd

Dhwanik Patel

Dhwanik Rakeshbhai Patel
Director



Place: Ahmedabad
Date: 08/06/2022

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
BENCH
C A (CAA) NO 21 of 2022**

In the matter of the Companies Act, 2013;

AND

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

AND

In the matter of Scheme of Arrangement involving amalgamation of S P S PROCESSORS PRIVATE LIMITED with BODAL CHEMICALS LIMITED.

BODAL CHEMICALS LIMITED

CIN: L24110GJ1986PLC009003

Company incorporated under the Companies Act, 1956, having its registered office at

Plot No. 123 and 124, Phase -1 GIDC, Vatva, Ahmedabad- 382445, Gujarat, India

..... Applicant Transferee Company

FORM MGT-11

PROXY FORM

Name of the Secured Creditor _____

Registered address _____

E-mail Id _____

Total Outstanding Amount _____

I/ We, being the secured creditor(s) of Bodal Chemicals Limited, being the Applicant Transferee Company, do hereby appoint.

1.	Name	
	Address	
	E-mail Id	

Signature: or failing him/ her

2.	Name	
	Address	
	E-mail Id	

Signature: or failing him/ her

3.	Name	
	Address	
	E-mail Id	

Signature:

as my/our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the NCLT convened meeting of the Secured Creditors of the Applicant Transferee Company to be held at The ATMA Auditorium, Opp. Old Reserve Bank of India Building, Ashram Road, Ahmedabad 380 009 on Thursday the 21st day of July, 2022 at 11:00 A.M. in respect of such resolution as are indicated below:

Resolution No.	Description	Vote (Optional) (Please put a (✓) mark	
		For	Against
1.	Approval of the Scheme of Arrangement involving amalgamation of S P S PROCESSORS PRIVATE LIMITED with BODAL CHEMICALS LIMITED under Section 230 to 232 read with other applicable provisions of the Companies Act, 2013		

Signed this ____ day of _____, 2022

Signature of Secured Creditor with Stamp:

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Applicant Transferee Company, not less than 48 hours before the commencement of the Meeting. (i.e. on Thursday the 21st day of July, 2022 at 11:00 A.M).
2. Corporate Secured Creditors intending to send their authorised representative(s) to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
3. All alterations made in the form of proxy should be initialled
4. Please affix revenue stamp not less than Re.1 before putting signature.
5. In case of multiple proxies, the proxy later in time shall be accepted.
6. Proxy need not be a secured creditor of the Applicant Transferee Company.
7. No person shall be appointed as a proxy who is a minor.
8. It is optional to indicate your preference. If you leave the for and against column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may think appropriate.

BODAL CHEMICALS LIMITED
CIN: L24110GJ1986PLC009003
Company incorporated under the Companies
Act, 1956, having its registered office at
Plot No. 123 and 124, Phase -1 GIDC, Vatva, Ahmedabad- 382445, Gujarat, India

ATTENDANCE SLIP

**MEETING OF THE SECURED CREDITORS OF THE COMPANY CONVENED BY THE HON'BLE NATIONAL COMPANY LAW
TRIBUNAL, AHMEDABAD BENCH ON THURSDAY, 21ST JULY, 2022 AT 11:00 AM**

Name and Address of the Secured Creditor

.....

Authorized Representative/Proxy Holder.....

.....

Total Outstanding Amount

I certify that I am a Secured Creditor/ proxy/ authorized representative for the Secured Creditor of the Company

I hereby record my presence at the meeting of Secured Creditors of the Company convened pursuant to an Order dated 06th June 2022 of Hon'ble National Company Law Tribunal, Ahmedabad Bench at The ATMA Auditorium, Opp. Old Reserve Bank of India Building, Ashram Road, Ahmedabad 380 009 on Thursday the 21st day of July, 2022 at 11:00 A.M

Name of Secured creditor/Proxy (Block Letters)

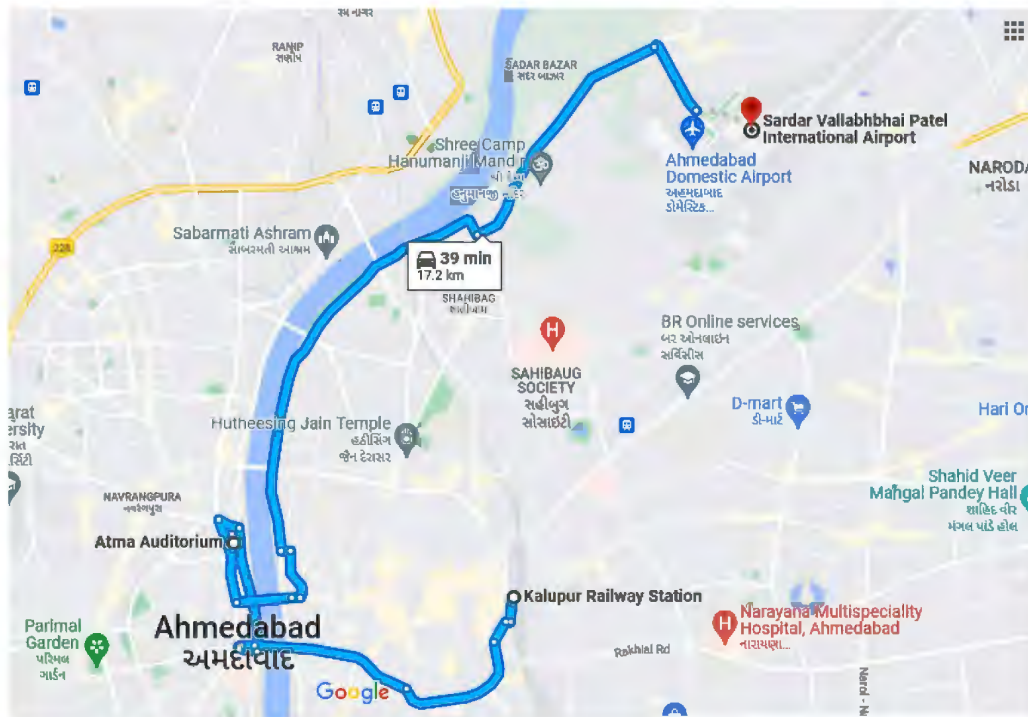
Signature of the Secured creditor / Proxy

Notes:

1. Only Secured creditors would be allowed to attend the meeting. No Minors would be allowed at the meeting.
2. The Secured creditors, Proxy Holder or the Authorized Representative attending the meeting must bring this attendance slip to the meeting and hand over at the entrance duly signed for admission to the meeting hall.
3. The Secured creditors, Proxy Holder or the Authorized Representative are requested to bring their copy of notice of reference at the Meeting.
4. The authorized representative of a body corporate which is a Secured creditor of the Company must bring a certified true copy of the Resolution of the board meeting authorizing such representative to attend and vote at the said meeting.

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ROUTE MAP TO THE VENUE OF THE MEETING
TO BE HELD AT
THE ATMA AUDITORIUM, OPP. OLD RESERVE BANK OF INDIA BUILDING, ASHRAM ROAD, AHMEDABAD 380 009
ON THURSDAY THE 21ST DAY OF JULY, 2022 AT 11:00 A.M



NOTES FOR COVID-19 SAFETY MEASUREMENT:

1. All Secured Creditors need to wear masks throughout the program. Creditors are not allowed to spit, smoke or remove mask throughout program.
2. Secured Creditors entering the premises should carry their COVID VACCINATION CERTIFICATE (Dose 1 OR Dose 2 in Physical/Digital Format) and show it whenever asked by any Representative without any objection.
3. Secured Creditors need to carry their own sanitiser so that they can keep sanitising their hands regularly.
4. All Secured Creditors will be required to follow the safety guidelines informed to them by Administration from time to time