

Date: 13<sup>th</sup> October 2017

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001  Scrip Code: 523694	<b>National Stock Exchange of India Limited</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051  Scrip Code: APCOTEXIND
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**Sub: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

This is to inform you that the National Company Law Tribunal, Mumbai Bench, vide its order dated 22<sup>nd</sup> September, 2017, inter alia, directed the Company to convene and hold the meeting of the equity shareholders of the Company for seeking their approval to the Scheme of Amalgamation between Saldhar Investments And Trading Company Private Limited and Apcotex Industries Limited and their respective shareholders. Accordingly, a meeting of the equity shareholders would be held on Monday, 20<sup>th</sup> November, 2017 at 11.30 a.m. at the registered office of the Company situated at Plot no. 3/1, MIDC Industrial Area, Talaja - 410 208, Dist. Raigad, Maharashtra.

We enclose herewith copy of the notice of the meeting along with the explanatory statement and relevant annexures for convening the meeting of the equity shareholders which is being sent to all the equity shareholders by the permitted mode.

The notice of the meeting along with the explanatory statement and relevant annexures is also available on our website [www.apcotex.com](http://www.apcotex.com)

Yours faithfully,

  
**Authorised Signatory**

Encl: as above

**apcotex industries limited**

**REGD. OFFICE & TALOJA PLANT** : Plot No. 3/1, MIDC Industrial Area, Talaja-410 208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052

**CORPORATE OFFICE** : NKM International House, 178, Backbay Recl., B. M. Chinai Marg, Mumbai-400 020, Maharashtra, India. Tel:+91-22-22838302/04.

CIN NO. L99999MH1986PLC039199

Website:[www.apcotex.com](http://www.apcotex.com)



**apcotex industries limited**

CIN: L99999MH1986PLC039199

PAN: AAACA3427G

Regd. Office: Plot No.3/1, MIDC Industrial Area, Taloja- 410208, Dist.: Raigad, Maharashtra

Email ID: redressal@apcotex.com, Tel No: 022-27403500

Website: www.apcotex.com

**MEETING OF THE EQUITY SHAREHOLDERS WHICH INCLUDES PUBLIC SHAREHOLDERS OF APCOTEX INDUSTRIES LIMITED  
CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

<b>MEETING:</b>	
<b>Day</b>	Monday
<b>Date</b>	20 <sup>th</sup> November 2017
<b>Time</b>	11:30 am
<b>Venue</b>	Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra

<b>POSTAL BALLOT AND E-VOTING:</b>	
<b>Start Date and Time</b>	21 <sup>st</sup> October 2017 at 09:00 a.m.
<b>End Date and Time</b>	19 <sup>th</sup> November 2017 at 05:00 p.m.

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

**COMPANY SCHEME APPLICATION NO 883 OF 2017**

In the matter of Companies Act, 2013;

And

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

And

In the matter of Apcotex Industries Limited

And

In the matter of Scheme of Amalgamation between Saldhar Investments And Trading Company Private Limited and Apcotex Industries Limited and their respective shareholders

**Apcotex Industries Limited**, a company incorporated

under the provisions of the Companies Act, 1956,

and having its registered office at Plot No.3/1,

MIDC Industrial Area, Talaja- 410208,

Dist. Raigad, Maharashtra.

..... **Applicant Company**

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS (WHICH INCLUDES PUBLIC SHAREHOLDERS) OF THE APPLICANT COMPANY**

To,

All the equity shareholders of Apcotex Industries Limited (**the 'Applicant Company'**)

**NOTICE** is hereby given that by an order dated the 22<sup>nd</sup> day of September 2017 in the above mentioned Company Scheme Application (the "**Order**"), the National Company Law Tribunal, Mumbai Bench ("**NCLT**" or "**Tribunal**") has directed a meeting to be held of equity shareholders of the Applicant Company for the purpose of considering, and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation between Saldhar Investments And Trading Company Private Limited ("**Saldhar**" or "**Transferor Company**") and Apcotex Industries Limited ("**Apcotex**" or "**Transferee Company**") and their respective shareholders ("**Scheme**").

In pursuance of the said order and as directed therein further notice is hereby given that a meeting of equity shareholders of the Applicant Company will be held at Plot no. 3/1, MIDC Industrial Area, Talaja - 410 208, Dist. Raigad, Maharashtra on Monday, 20<sup>th</sup> November 2017 at 11.30 a.m. at which time and place you are requested to attend. At the meeting, 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 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, the rules, circulars, and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities Exchange Board of India Circular No CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March 2017 the observation letters issued by each of the BSE Limited and the National Stock Exchange of India Limited, dated 1<sup>st</sup> September 2017 and 4<sup>th</sup> September 2017 respectively and subject to provisions of the Memorandum and Articles of Association of the Company and subject to approval of the Hon'ble National Company Law Tribunal (NCLT), Bench at Mumbai and subject to such other approvals, permissions and sanctions of regulatory and other authorities as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall deemed to mean and include one or more Committee(s) constituted), the arrangement embodied in the Scheme of Amalgamation between Saldhar Investments And Trading Company Private Limited and Apcotex Industries Limited and their respective shareholders ("Scheme") placed before this meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved".

"RESOLVED THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem requisite, desirable, appropriate, or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and or/ making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit without being required to seek any further approval of the members or otherwise to the end and intend that members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**TAKE FURTHER NOTICE** that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the registered office of the Applicant Company at Plot No.3/1, MIDC Industrial Area, Talaja- 410208, Dist. Raigad, Maharashtra not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the registered office of the Applicant Company.

**TAKE FURTHER NOTICE** that in compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> day of March, 2017, issued by the Securities and Exchange Board of India (referred to as “**SEBI Circular**”), the Applicant Company has provided the facility of voting by equity shareholders of the Applicant Company to the Scheme through e-voting or postal ballot or polling paper at the venue of the meeting to be held on 20<sup>th</sup> November 2017.

Copies of the Scheme and Explanatory Statement under Section 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Applicant Company at Plot No.3/1, MIDC Industrial Area, Taloja- 410208, Dist. Raigad, Maharashtra or at the office of its advocates M/s Hemant Sethi & Co. at 1602, Nav Parmanu, Behind Amar Cinema, Chembur, Mumbai – 400 071.

The Tribunal has appointed Mr. Atul Champaklal Choksey, Chairman of the Applicant Company failing him, MrAbhiraj Atul Choksey, Managing Director of the Applicant Company, failing him Mr. Anand Venkatesh Kumashi, Company Secretary of the Applicant Company and failing him Mr. Yashodhan Bhargao Gadgil, Executive Director of the Applicant Company to be the Chairman of the said meeting including for any adjournment or adjournments thereof. The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of the Tribunal.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

**Mr.Atul Champaklal Choksey**  
**Chairperson appointed for the meeting**

Dated this 9<sup>th</sup> day of October 2017.

**Registered Office: Plot No. 3/1,  
MIDC Industrial Area, Taloja - 410208,  
Dist. Raigad, Maharashtra**

**Notes:**

1. Only registered equity shareholders of the Applicant Company may attend and vote either in person or by proxy (a proxy need not be an equity shareholder of the Applicant Company) or in the case of a body corporate or Registered Foreign Portfolio Investors ("RFPI") or Foreign Institutional Investors ("FII"), by a representative authorised under Section 113 of the Companies Act, 2013 at the meeting of the equity shareholders of the Applicant Company. The authorised representative of a body corporate/RFPI/FII which is a registered equity shareholder of the Applicant Company may attend and vote at the meeting of the equity shareholders of the Applicant Company provided a copy of the resolution of the board of directors or other governing body of the body corporate/RFPI/FII authorising such representative to attend and vote at the meeting of the equity shareholders of the Applicant Company, duly certified to be a true copy by a director, the manager, the secretary or other authorised officer of such body corporate/RFPI/FII, is deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the equity shareholders of the Applicant Company.
2. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of not more than 50 (fifty) equity shareholders holding in aggregate, not more than 10% (ten percent) of the total share capital of the Applicant Company carrying voting rights. Equity shareholders holding more than 10% (ten percent) of the total share capital of the Applicant Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or equity shareholder.
3. The form of proxy can be obtained free of charge from the registered office of the Applicant Company or can be downloaded from the website of the Applicant Company.
4. All alterations made in the form of proxy should be initialed.
5. During the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, an equity shareholder would be entitled to inspect the proxies lodged at anytime during the business hours of the Applicant Company, provided that not less than 3 (three) days of notice in writing is given to the Applicant Company.
6. NCLT by its Order has directed that a meeting of the equity shareholders of the Applicant Company shall be convened and held at Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra on Monday, 20<sup>th</sup> November 2017 at 11.30 am for the purpose of considering, and if thought fit, approving, with or without modification(s), the resolution approving arrangement embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either through e-voting or postal ballot or polling paper at the venue of meeting.
7. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3) (xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> day of March, 2017, issued by the Securities and Exchange Board of India, the Applicant Company has provided the facility of voting by equity shareholders of the Applicant Company to the Scheme through e-voting or postal ballot or polling paper at the venue of the meeting to be held on 20<sup>th</sup> November 2017.
8. The quorum of the meeting of the equity shareholders of the Applicant Company shall be 30 (thirty) equity shareholders of the Applicant Company, present in person.
9. A registered equity shareholder or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.
10. The registered equity shareholders who hold shares in dematerialized form and who are attending the meeting are requested to bring their DP ID and Client ID for easy identification.
11. The registered equity shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the register of members of the Applicant Company/ list of beneficial owners as received from Central Depository Services Limited ("CDSL") / National Securities Depository Limited ("NSDL") in respect of such joint holding, will be entitled to vote.
12. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Applicant Company between 10:00 a.m. and 1:00 p.m. on all days (except Sundays and public holidays) up to the date of the meeting.
13. The Notice, together with the documents accompanying the same, is being sent to all the equity shareholders either by registered post or speed post or by courier service or electronically by e-mail to those equity shareholders who have registered their e-mail ids with the Applicant Company/ registrar and share transfer agents/ CDSL/NSDL whose names appear in the register of members/list of beneficial owners as received from CDSL/NSDL as on 13<sup>th</sup> day of October 2017. The Notice will be displayed on the website of the Applicant Company [www.apcotex.com](http://www.apcotex.com) and on the website of Central Depository Services Limited (CDSL) on [www.evotingindia.com](http://www.evotingindia.com).
14. The equity shareholders holding equity shares as on 13<sup>th</sup> day of October 2017, being the cut-off date, will be entitled to exercise their right to vote on the above resolution.

15. A person, whose name is not recorded in the register of members or in the register of beneficial owners maintained by CDSL/NSDL as on such cut-off date i.e. 13<sup>th</sup> day of October 2017 shall not be entitled to avail the facility of e-voting or voting through postal ballot or voting at the meeting to be held on 20<sup>th</sup> day of November 2017. Voting rights shall be reckoned on the paid-up value of the shares registered in the names of equity shareholders as on the cut-off date. Persons who are not equity shareholders of the Applicant Company as on the cut-off date i.e. 13<sup>th</sup> day of October 2017 should treat this notice for information purposes only. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting or voting through postal ballot. Any person who has ceased to be the member of the Company before the cut-off date will not be entitled for remote e-voting or voting at the meeting or voting through postal ballot.
16. The voting by the equity shareholders (including Public Shareholders) through the postal ballot or e-voting shall commence at 9:00 a.m. on 21<sup>st</sup> day of October 2017 and shall close at 5:00 p.m. on 19<sup>th</sup> day of November 2017.
17. The notice convening the meeting will be published through advertisement in (i) Business Standard in the English language; and (ii) translation thereof in Navshakti in Marathi language.
18. Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March 2017 (“SEBI Circular”) issued by the Securities and Exchange Board of India (“SEBI”), inter alia, requires the Applicant Company to provide for voting by Public Shareholders through e-voting. Since the Applicant Company is seeking the approval of its equity shareholders (which includes Public Shareholders) to the Scheme by way of e-voting, no separate procedure for voting through e-voting would be required to be carried out by the Applicant Company for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The aforesaid notice sent to the equity shareholders (which includes Public Shareholders) of the Applicant Company would be deemed to be the notice sent to the Public Shareholders of the Applicant Company. For this purpose, the term “**Public**” shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term “**Public Shareholders**” shall be construed accordingly. In terms of SEBI Circular the Applicant Company has provided the facility of voting by e-voting to its Public Shareholders.

As directed by NCLT, the Applicant Company is convening a meeting of its equity shareholders, who are required to pass the resolution approving the Scheme by, inter alia, e-voting. Since equity shareholders include Public Shareholders, this will be in sufficient compliance of the SEBI Circular.

19. In accordance with the provisions of Sections 230-232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the equity shareholders of the Applicant Company voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme.
20. Further, in accordance with the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the Public Shareholders in favour of the aforesaid resolution for approval of Scheme are more than the number of votes cast by the Public Shareholders against it.
21. The voting through postal ballot and e-voting period will commence at 9:00 a.m. on Saturday the 21<sup>st</sup> day of October 2017 and will end at 5:00 p.m. on Sunday, the 19<sup>th</sup> day of November 2017. During this period, the equity shareholders of the Applicant Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. 13<sup>th</sup> day of October 2017 may cast their vote electronically or by postal ballot. The e-voting module shall be disabled for voting on 19<sup>th</sup> day of November 2017 at 5.00 p.m. Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.
22. The Applicant Company has engaged the services of CDSL for facilitating e-voting for the said meeting to be held on 20<sup>th</sup> day of November 2017. Equity shareholders desiring to exercise their vote by using e-voting facility are requested to follow the instructions mentioned in Note 33 below.
23. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Equity shareholders voting in physical form are requested to carefully read the instructions printed in the attached postal ballot form. Equity shareholders who have received the postal ballot form by e-mail and who wish to vote through the postal ballot form, can download the postal ballot form from the Applicant’s Company website [www.apcotex.com](http://www.apcotex.com) or seek duplicate postal ballot form from the Applicant Company.
24. Equity shareholders shall fill in the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed postage pre-paid envelope to the scrutinizer so as to reach the scrutinizer before 5 p.m. on or before the 19<sup>th</sup> day of November 2017. Postal ballot form, if sent by courier or by registered post/speed post at the expense of an equity shareholders will also be accepted. Any postal ballot form received after the said date and time period shall be treated as if the reply from the equity shareholders has not been received.
25. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the scrutinizer.
26. The vote on postal ballot cannot be exercised through proxy. There will be only 1 (one) postal ballot form for every registered folio/client ID irrespective of the number of joint equity shareholders.
27. The postal ballot form should be completed and signed by the equity shareholder (as per specimen signature registered with the Applicant Company and/or furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named equity shareholder and in his/her absence, by the next named equity shareholder. Holder(s) of the Power of Attorney (“PoA”) on behalf of an equity shareholder may vote on the postal ballot mentioning the registration number of the PoA with

the Applicant Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies, etc, the duly completed postal ballot form should be accompanied by a certified copy of the board resolution/authorization giving requisite authority to the person voting on the postal ballot.

28. The equity shareholders of the Applicant Company (which includes Public Shareholders) can opt only for one mode of voting i.e. by postal ballot or e-voting or voting at the venue of the meeting. If an equity shareholder has opted for e-voting, then he/she should not vote by postal ballot form also and vice-versa. However, in case equity shareholder(s) (which included public shareholders) cast their vote both via postal ballot and e-voting then voting validly done through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.
29. The equity shareholders of the Applicant Company attending the meeting who have not cast their vote either through postal ballot or e-voting shall be entitled to exercise their vote at the venue of the meeting. Equity shareholders who have cast their votes through postal ballot or e-voting may also attend the meeting but shall not be entitled to cast their vote again.
30. Mr. Mahesh Hurgat Practicing Company Secretary (Membership No. 7139 & C.P. No. 2498) has been appointed as the scrutinizer to conduct the e-voting process and voting at the venue of the meeting and voting through postal ballot in a fair and transparent manner.
31. The scrutinizer will submit his combined report to the Chairman of the meeting after completion of the scrutiny of the votes cast by the equity shareholders, which includes Public Shareholders of the Applicant Company through e-voting or postal ballot or polling paper at the venue of the meeting. The scrutinizer will also submit a separate report with regard to the result of the voting in respect of Public Shareholders. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final. The results of votes cast through electronic voting system or postal ballot or polling paper at the venue of the meeting including the separate results of the votes exercised by the Public Shareholders will be announced on or before the 22<sup>nd</sup> day of November 2017 at the registered office of the Applicant Company. The results, together with the Scrutinizer's Reports, will be displayed at the registered office of the Applicant Company, on the website of the Applicant Company, [www.apcotex.com](http://www.apcotex.com) and on the website of Central Depository Services Limited (CDSL) i.e. [www.evotingindia.com](http://www.evotingindia.com), besides being communicated to BSE Limited and National Stock Exchange of India Limited.
32. Any queries/grievances in relation to the voting by postal ballot or e-voting may be addressed to Mr. Anand Kumashi, Company Secretary of the Applicant Company at Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra or through email to [avkumashi@apcotex.com](mailto:avkumashi@apcotex.com). Mr. Anand Kumashi, Company Secretary of the Applicant Company can also be contacted at +91 22 27403591. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) or call Mr. Rakesh Dalvi at +91 22 22728588.

### 33. Instructions for voting through Electronic Means

In compliance with provisions of Section 108 of the Companies Act, 2013, rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company provides to its equity shareholders facility to exercise their right to vote on the resolution proposed to be considered at the meeting by electronic means and the business may be transacted through e-voting services provided by CDSL.

The remote e-voting period commences on the 21<sup>st</sup> day of October 2017 (9:00 a.m.) and ends on the 19<sup>th</sup> day of November 2017 (5:00 p.m.). The remote e-voting module shall be disabled by CDSL for voting there after. During this period, members' of the Applicant Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13<sup>th</sup> day of October 2017, may cast their vote by remote e-voting. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- I. The instructions for shareholders voting electronically are as under:
  - (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (ii) Click on Shareholders.
  - (iii) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (iv) Next enter the Image Verification as displayed and Click on Login.
  - (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</li> </ul>

(vii) After entering these details appropriately, click on “SUBMIT” tab.

(viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN of “Apcotex Industries Limited” on which you choose to vote.

(xi) 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 as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**(xviii) Note for Non – Individual Shareholders and Custodians**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://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](mailto: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) for which they wish to vote on.

The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call Mr. Rakesh Dalvi at +91 22 22728588.



- II. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 13<sup>th</sup> day of October 2017. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting. Any person who has ceased to be the member of the Company before the cut-off date will not be entitled for remote e-voting. However, if you are already registered with CDSL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- III. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
- IV. Mr. Mahesh Hurgat, a Practicing Company Secretary, Mumbai (Membership No. 7139 & C.P. No. 2498) has been appointed as the scrutinizer for providing facility to the members of the Applicant Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- V. The Chairman shall, at the meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot or polling paper or by using an electronic voting system for all those members who are present at the meeting but have not cast their votes by availing the remote e-voting facility.
- VI. The scrutinizer shall after the conclusion of voting at the meeting, first count the votes cast at the meeting and votes received through postal ballot and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Applicant Company. The scrutinizer will submit his consolidated report to the Chairman or a person authorized by him in writing, of the meeting after completion of the scrutiny of the votes cast by the equity shareholders, which includes Public Shareholders of the Applicant Company through e-voting or postal ballot or polling paper at the venue of the meeting. The scrutinizer will also submit a separate report with regard to the result of the voting in respect of Public Shareholders. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final.
- VII. The results of votes cast through electronic voting system or postal ballot or polling paper at the venue of the meeting including the separate results of the votes exercised by the Public Shareholders will be announced on or before the 22<sup>nd</sup> day of November 2017 at the registered office of the Applicant Company. The results, together with the scrutinizer's reports, will be countersigned by the Chairman who shall declare the results of the voting forthwith. The results declared along with the report of the scrutinizer will be displayed at the registered office of the Applicant Company, on the website of the Applicant Company, [www.apcotex.com](http://www.apcotex.com) and on the website of Central Depository Services Limited (CDSL) i.e. [www.evotingindia.com](http://www.evotingindia.com), besides being communicated to BSE Limited and National Stock Exchange of India Limited.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**  
**COMPANY SCHEME APPLICATION NO 883 OF 2017**

In the matter of Companies Act, 2013;

And

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

And

In the matter of Apcotex Industries Limited

And

In the matter of Scheme of Amalgamation between Saldhar Investments And Trading Company Private Limited and Apcotex Industries Limited and their respective shareholders

**Apcotex Industries Limited**, a company incorporated

under the provisions of the Companies Act, 2013,

and having its registered office at Plot No.3/1,

MIDC Industrial Area, Talaja- 410 208,

Dist. Raigad, Maharashtra

..... **Applicant Company**

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. Pursuant to an Order dated 22<sup>nd</sup> day of September, 2017, passed by the National Company Law Tribunal, Mumbai Bench (“**NCLT**” or “**Tribunal**”) in the Company Application No. 883 of 2017 (“**Order**”), a meeting of the Equity Shareholders of Apcotex Industries Limited (hereinafter referred to as “**Applicant Company**” or “**Transferee Company**” or “**Apcotex**” or “**Company**”) is being convened and held at Plot no. 3/1, MIDC Industrial Area, Talaja - 410 208, Dist. Raigad, Maharashtra on Monday the 20<sup>th</sup> November 2017 at 11.30 a.m. for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Amalgamation between Saldhar Investments And Trading Company Private Limited (“**Saldhar**” or “**Transferor Company**”) and Apcotex Industries Limited and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 (“**the Act**”), and other applicable provisions of the Companies Act, 2013 (“**the Scheme**”)
2. In terms of the said Order, the quorum for the said meeting is 30 as prescribed under Section 103 of the Act, present in person. Further in terms of the said Order, NCLT has appointed Mr. Atul Champaklal Choksey, Chairman of the Applicant Company failing him, Mr. Abhiraj Atul Choksey, Managing Director of the Applicant Company, failing him Mr. Anand Venkatesh Kumashi, Company Secretary of the Applicant Company and failing him Mr. Yashodhan Bhargao Gadgil, Executive Director of the Applicant Company to be the Chairman of the said meeting including for any adjournment or adjournments thereof
3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the “**Rules**”).
4. As stated earlier, the NCLT by its said Order has, inter alia, directed that a meeting of the equity shareholders of Apcotex shall be convened and held at Plot no. 3/1, MIDC Industrial Area, Talaja - 410 208, Dist. Raigad, Maharashtra on Monday, 20<sup>th</sup> November 2017 at 11.30 a. m for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Equity shareholders would be entitled to vote in the said meeting either through e-voting or postal ballot or polling paper at the venue of the meeting.
5. Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> day of March, 2017 (“**SEBI Circular**”) issued by the Securities and Exchange Board of India (“**SEBI**”), inter alia, requires the Applicant Company to provide for voting by Public Shareholders through e-voting. Since Apcotex is seeking the approval of its equity shareholders (which includes Public Shareholders) to the Scheme by way of e-voting, no separate procedure for voting through e-voting would be required to be carried out by Apcotex for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The notice sent to the equity shareholders (which includes Public Shareholders) of Apcotex would be deemed to be the notice sent to the Public Shareholders of Apcotex. For this purpose, the term “**Public**” shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term “**Public Shareholders**” shall be construed accordingly.

As directed by NCLT, Apcotex is convening a meeting of its equity shareholders, who are required to pass the resolution approving the Scheme by, inter-alia, e-voting. Since equity shareholders include Public Shareholders, this will be in sufficient compliance of the SEBI Circular. The scrutinizer will however submit his separate report to the Chairman of Apcotex after completion of the scrutiny of the votes cast by the Public Shareholders so as to announce the results of the votes exercised by the Public Shareholders of Apcotex. In terms of the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the Public Shareholders in favour of the resolution for approval of Scheme are more than the number of votes cast by the Public Shareholders against it.

6. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in persons representing three fourths in value of the equity shareholders, of Apcotex, voting in person or by proxy or e-voting or postal ballot, agree to the Scheme.
7. In terms of the Order dated 22<sup>nd</sup> day of September 2017, passed by the NCLT, in Company Scheme Application No 883 of 2017, if the entries in the records/registers of Apcotex in relation to the number or value, as the case may be, of the equity shares are disputed, the Chairman of the meeting shall determine the number or value, as the case may be, for the purposes of the said meeting and his decision in that behalf would be final.
8. The draft Scheme was placed before the Audit Committee and Board of Directors of Apcotex and Board of Directors of Saldhar at their respective meetings held on 31<sup>st</sup> March, 2017. In accordance with the provisions of the SEBI Circular, the Audit Committee of the Company recommended the Scheme to the Board of Directors of Apcotex inter-alia taking into account:
  - a) The Share Entitlement Report dated 30<sup>th</sup> day of March 2017 issued by M/s. SSPA & Co, Chartered Accountants for issue of shares pursuant to the Scheme;
  - o) The Fairness Opinion dated 30<sup>th</sup> March 2017 issued by M/s. Pantomath Capital Advisors Pvt Ltd, Category – I Merchant Bankers;
  - a) Statutory Auditor's Certificate dated 31<sup>st</sup> March 2017 issued by M/s Kalyaniwalla & Mistry LLP, Statutory Auditors of the Company, in relation to the accounting treatment prescribed in the Scheme.

Copy of the Share Entitlement Report and Fairness Opinion is enclosed to this Notice.
9. Based upon the recommendations of the Audit Committee and on the basis of the evaluation, the Board of Directors of Apcotex has come to the conclusion that the Scheme is in the interest of Apcotex and its shareholders.
10. A copy of the Scheme as approved by the Board of Directors of the respective companies is enclosed herewith.

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

**Apcotex Industries Limited (“Applicant Company” or “Transferee Company” or “Apcotex” or “Company”)**

- a) Apcotex Industries Limited was incorporated in the name of Apcotex Lattices Private Limited on 12<sup>th</sup> March 1986. The word “Private” was deleted from the name on 12<sup>th</sup> May 1988 . The name was again changed to its present name Apcotex Industries Limited on 29<sup>th</sup> August 2005. Apcotex is engaged in the business of manufacturing of performance emulsion polymers.
- b) The Registered Office of Apcotex is situated at Plot No 3/1 MIDC Industrial Area Taloja- 410 208, District Raigad, Maharashtra.
- c) The details of the Authorised, Issued, Subscribed and Paid-up share capital of Apcotex as on 31<sup>st</sup> March 2017 are as under:

Particulars	Amount (Rs.)
<b>Authorised Capital</b>	
6,22,60,000 Equity Shares of Rs 5/- each	31,13,00,000
500 Preference Shares of Rs 100/- each	50,000
50,000 Unclassified Shares of Rs 5/- each	2,50,000
<b>Total</b>	<b>31,16,00,000</b>
<b>Issued, Subscribed And Paid up Share Capital</b>	
2,07,37,984 Equity Shares of Rs.5/- each	10,36,89,920
Amount forfeited on 78,051 shares at Rs 5/- each	3,90,255
<b>Total</b>	<b>10,40,80,175</b>

- d) Subsequent to 31<sup>st</sup> March 2017, there has been no change in the share capital of Apcotex.
- e) The shares of Apcotex are currently listed on the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”).
- f) The objects for which Apcotex has been established are set out in its Memorandum of Association. The main objects of Apcotex are hereunder:
  1. *To carry on business as manufacturers and dealers in:-*
    - (a) *Synthetic rubbers and elastomers, synthetic resins, plastics, lattices and formulations thereof including reclaimed rubber, rubber and plastic products.*
    - (b) *Styrene, butadiene and similar monomers, ethylene, alcohol, petroleum fractions and chemical substances compounds, synthetics and substances, basic intermediate.*
    - (c) *Plastic materials, styrene, polystyrene, vinyl chloride, polyvinyl chloride, polyethylene, polyoleifines, vinyl acetate and copolymers of one or more of the above products, acyclics and polyesters, polycarbonates and polyether and epoxy resins and compositions, silicon resins and compositions, P-F, U-F and other thermo-settings resins*

*and moulding compositions, nylons, Rilsan and similar thermoplastics and moulding compositions including prefabricated sections and shapes, cellulosic plastics and other thermosetting and thermoplastic materials (of synthetic or natural origin), rubber chemicals, plastic and resinous materials, elastomers, gums, glues and adhesive and sealant compositions, plasticizers, coating resins, solvents.”*

- g) There has been no change in the object clause and registered office of Apcotex during the last five (5) years.

**Saldhar Investments And Trading Company Private Limited (“Saldhar” or “Transferor Company”)**

- a) Saldhar Investments And Trading Company Private Limited was incorporated on 12<sup>th</sup> November 1979. Saldhar is registered as Non-Banking Financial Company (‘NBFC’) with the Reserve Bank of India (‘RBI’) and holds a valid Certificate of Registration (‘COR’) No.13.00197 dated 3rd March 1998. Saldhar does not accept any public deposits and is mainly engaged in the business of investments in mutual funds and securities. The Corporate Identification Number of Saldhar is U67120MH1979PTC021881. Permanent Account Number of Saldhar is AAACS9115R. Email id of Saldhar is saldhar1979@gmail.com. Applicable information pertaining to Saldhar Investments And Trading Company Private Limited is given in the Abridged Prospectus as provided in Part D of Schedule VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations which has been attached to the notice and explanatory statement.
- b) The Registered Office of Saldhar is situated at NK Mehta International House, 178 Backbay Reclamation, Babubhai M Chinai Marg, Mumbai- 400 020.
- c) The details of the issued, subscribed and paid-up share capital of Saldhar as on 31<sup>st</sup> March 2017, are as under:

Particulars	Amount (Rs.)
<b>Authorised Capital</b>	
4,46,000 Equity Shares of Rs 10/- each	44,60,000
400 Non- Cumulative Redeemable Preference Shares of Rs 100/- each	40,000
<b>Total</b>	<b>45,00,000</b>
<b>Issued, Subscribed And Paid up Share Capital</b>	
50,232 Equity Shares of Rs 10/- each fully paid up	5,02,320
<b>Total</b>	<b>5,02,320</b>

- d) Subsequent to 31<sup>st</sup> March 2017, there has been no change in the share capital of Saldhar.
- e) The shares of Saldhar are currently not listed on any stock exchange.
- f) Saldhar is engaged in the business of making investments, holding shares and primarily holds shares in Apcotex.
- g) The objects for which Saldhar has been established are set out in its Memorandum of Association. The main objects of Saldhar are set out here under:
- (1) *To carry on the business of an investment Company and to invest the capital and other moneys of the Company in the purchase or upon the security of shares, stocks, units, debentures, debenture-stock, bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature, whether incorporated or otherwise, and wheresoever constituted or carrying on business and to buy, sell or otherwise deal in, shares, stocks, debentures, debenture-stock, bonds, notes, mortgages, obligations and other securities issued or guaranteed by any government, sovereign ruler, commissioners, trust, municipal, local or other authority or body of whatever nature in India or abroad.*
  - (2) *To acquire, hold, sell, buy or otherwise deal in any shares, stocks, debentures, debenture-stock, bonds, mortgages; obligations and other securities by original subscription, syndicate participation, tender, purchase, exchange, gift or otherwise and to subscribe for the same, either conditionally or otherwise, and to underwrite or sub-underwrite or guarantee the subscription thereof and to purchase and sell units.*
  - (3) *To carry on all or any of the business as merchants, traders, commission agents, buying agents, selling agents, brokers, adatias, buyers, sellers, importers, exporters, dealers in, collectors of, and to import, export, buy, sell, barter, exchange, distribute, pledge, mortgage, advance upon or otherwise trade and deal in machinery, equipments, components, spare parts, goods, produce, articles and merchandise of any kind whatsoever and without prejudice to the generality of the foregoing, agricultural commodities, food-grains, cash crops, cotton, tea, jute, coffee, fruits, spices, vegetables, flowers, milk, milk products, meat, seeds, raw materials required by industries, semi-finished products of industries and finished products of industries including machinery, equipment, chemicals, intermediates, electrical goods, textile yarns and fabrics garments, furniture, minerals, ores and oils as wholesalers or retailers on the basis of ready delivery or forward contracts or on commission basis.”*
- h) There is no change in the object clause and registered office of Saldhar during the last five years.

## 12. BACKGROUND OF THE SCHEME

- 12.1. The Scheme inter-alia provides for the following:
- (i) Amalgamation of Saldhar with Apcotex;
  - (ii) Cancellation of equity shares held by Saldhar in Apcotex; and
  - (iii) Issue of equal number of equity shares by Apcotex to the shareholders of Saldhar.

## 13. RATIONALE OF THE SCHEME

- 13.1. Saldhar forms part of the Promoter Group of Apcotex. It presently holds 1,05,98,300 equity shares in Apcotex constituting 51.1% of Apcotex's paid up share capital.
- 13.2. It is proposed to amalgamate Saldhar into Apcotex as a result of which, shareholders of Saldhar, viz the promoters of Saldhar (who are also promoters of Apcotex), shall directly hold shares in Apcotex.
- 13.3. The amalgamation will not only lead to simplification of the shareholding structures and reduction of shareholding tiers but will also demonstrate the promoter group's direct commitment to and engagement with Apcotex.
- 13.4. The amalgamation would result in more effective utilization of resources of both Saldhar and Apcotex, including pooling of financial resources of Saldhar and Apcotex, leading to more effective and centralized management of funds, greater economies of scale and reduction in administrative expenses, which are presently being multiplied being separate entities.
- 13.5. Upon merger, the shares held by Saldhar in Apcotex as on the Record Date (as defined in the Scheme) shall get cancelled and the shareholders of Saldhar would be entitled to the same number of shares of Apcotex which they own indirectly through their holding in Saldhar on such date.
- 13.6. Pursuant to the merger, the pre and post scheme shareholding of the Promoter group of Apcotex would remain same.
- 13.7. All the shareholders of Saldhar are and will upon merger remain ultimate beneficial owners in Apcotex in the same ratio as they held prior to the merger and the interest of other shareholders in Apcotex would remain unaffected.
- 13.8. On the Scheme becoming effective, Saldhar shall stand dissolved without being wound-up.
- 13.9. In view of the aforesaid, the Board of Directors of both the Companies have considered and proposed this Scheme of Amalgamation under the provisions of Sections 230 - 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

## 14. SALIENT FEATURES OF THE SCHEME

- 14.1. Salient features of the Scheme are set out as below:
- The Scheme is presented under Sections 230 - 232 and other applicable provisions of the Act, as may be applicable, for the amalgamation of Saldhar with Apcotex;
  - Saldhar and Apcotex shall make applications and/or petitions under Section 230 - 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 to the jurisdictional National Company Law Tribunal, as the case may be for sanction of this Scheme and all matters ancillary or incidental thereto;
  - The 'Appointed Date' for the Scheme is 31<sup>st</sup> March 2017 or such other date as may approved by the Tribunal.
  - "Effective Date" means last of the dates on which all of the conditions specified in Clause 20 of the Scheme are satisfied which will get completed on filing of certified or authenticated copy of the order of Tribunal sanctioning the Scheme with Registrar of Companies, Mumbai by Saldhar and Apcotex respectively.
  - The merger of Saldhar into Apcotex, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date, but shall be operative from the Effective Date. Therefore, for all regulatory and tax purposes, the merger would be effective from the Appointed Date of the Scheme. Notwithstanding the above, the accounting treatment to be adopted to give effect to the provisions of the Scheme would be in consonance with the Indian Accounting Standard, 103 (Ind AS 103) and the mere adoption of such accounting treatment will not in any manner affect the vesting of the merger from the Appointed Date.
  - Apcotex shall account for the merger in accordance with Pooling of Interest method in accordance with Ind AS 103 notified under the provisions of the Companies Act, 2013 read with relevant rules framed thereunder and other applicable accounting standards prescribed under the Companies Act, 2013.
  - The amalgamation of Saldhar with Apcotex pursuant to and in accordance with the Scheme shall comply with the Section 2(1B) of the Income Tax, 1961.
  - Currently Saldhar holds 1,05,98,300 shares in Apcotex. Upon the Scheme becoming effective and in consideration of

the Amalgamation, the shares held by Saldhar in Apcotex as on the Record Date (as defined in the Scheme) shall get cancelled and the shareholders of Saldhar would be entitled to the same number of shares of Apcotex which they own indirectly through their holding in Saldhar on such date. The equity shares issued and allotted pursuant to the Scheme of Amalgamation and shall be hereinafter referred to as "New Equity Shares".

- Upon the Scheme becoming effective and on issuance of New Equity Shares by Apcotex, the equity shares of Apcotex held by Saldhar shall be cancelled without any further act or deed or payment or consideration and no shares of Apcotex shall be issued in lieu thereof. Accordingly, the share capital of Apcotex shall stand reduced to the extent of face value of shares held by Saldhar as on the Effective date and thus such reduction shall be effected as integral part of the Scheme.
- This Scheme is conditional upon and subject to the following:
  - (a) The Scheme being approved by the requisite majorities of members and/or creditors if required of Saldhar and Apcotex, as prescribed under the Companies Act, 2013 and as may be directed by the Tribunal or any other appropriate authority as may be applicable.
  - (b) Apcotex complying with other provisions of the SEBI Circular No CFD/DIL3/CIR/2017/21, including seeking approval of its shareholders through e-voting. The Scheme shall be acted upon only if the number of votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it.
  - (c) The requisite sanctions and approvals of any Government authority including Stock Exchanges and SEBI as may be required by law in respect of the Scheme being obtained.
  - (d) The sanction of this Scheme by the National Company Law Tribunal Bench at Mumbai under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 in favour of Saldhar and Apcotex; and
  - (e) Certified or authenticated copy of the Order of the Tribunal sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by Saldhar and Apcotex respectively.
- The Scheme also provides that:
  - a) All costs and charges of any nature arising of or incurred in connection with and implementing this Scheme shall be borne by Saldhar and/or its shareholders;
  - b) Promoters shall indemnify Apcotex and keep Apcotex indemnified for any contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party(ies) including Government authorities on Apcotex which are directly relatable to Saldhar or which may devolve on Apcotex on account of this amalgamation.

The features set out above being only the salient features of the Scheme of Amalgamation, the equity shareholders of Apcotex are requested to read the entire text of the Scheme of Amalgamation to get themselves fully acquainted with the provisions thereof.

## 15. APPROVALS

- 15.1. Pursuant to the SEBI Circular read with Regulation 37 of the SEBI Listing Regulations, Apcotex had filed necessary applications before BSE and NSE seeking their no-objection to the Scheme. Apcotex has received the observation letters from BSE and NSE dated 1<sup>st</sup> September, 2017 and 4<sup>th</sup> September, 2017 respectively conveying their no-objection to the Scheme ("**Observation Letters**"). Copies of the aforesaid Observation Letters are enclosed herewith.
- 15.2. Pursuant to Circular No DNBR(PD) CC No.065/03.10.001/2015-16, issued by the Reserve Bank of India (RBI), Saldhar had filed an application with RBI for seeking its prior approval to the amalgamation of Saldhar into Apcotex. RBI vide its letter dated 21<sup>st</sup> July, 2017 has granted its prior approval to the merger.

## 16. CAPITAL STRUCTURE PRE AND POST AMALGAMATION

- 16.1. The pre-amalgamation capital structure of Apcotex is mentioned in paragraph 11 above. Post amalgamation capital structure of Apcotex (assuming the continuing capital structure as on 31<sup>st</sup> March 2017) would be the same. Post amalgamation, the equity shares held by Saldhar shall stand cancelled and as a consideration for the amalgamation similar number of shares will be issued to the equity shareholders of Saldhar.
- 16.2. The pre-amalgamation capital structure of Saldhar is mentioned in paragraph 11 above. Post the amalgamation, Saldhar shall stand dissolved without being wound-up.

## 17. PRE AND POST AMALGAMATION AND SHAREHOLDING PATTERN

17.1. The pre and post amalgamation shareholding pattern of Apcotex as on 30<sup>th</sup> September, 2017 is as follows:

SI. No.	Particulars Description	Pre-amalgamation		Post-amalgamation	
		No. of shares	%	No. of shares	%
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>				
<b>1</b>	<b>Indian</b>				
(a)	<b>Individuals/ Hindu Undivided Family</b>				
	Atul Champaklal Choksey	71,398	0.34	4,698,343	22.66
	Parul Atul Choksey	72,770	0.35	3,946,914	19.03
	Abhiraj Atul Choksey	109,888	0.53	1,792,298	8.64
	Abhiraj Atul Choksey HUF	14,217	0.07	15,061	0.07
	Devanshi Anant Veer Jalan	147,353	0.71	561,310	2.71
	Rita Ashok Parekh	106,380	0.51	106,380	0.51
	Amit Champaklal Choksey	68,910	0.33	68,910	0.33
	Namrata Amit Choksey	57,076	0.28	57,076	0.28
	Ankita Amit Choksey	54,088	0.26	54,088	0.26
	Priti Amit Choksey	47,134	0.23	47,134	0.23
	Amit Champaklal Choksey HUF	41,140	0.20	41,140	0.20
	Biyash Abhiraj Choksey	36,000	0.17	36,000	0.17
	Girish Champaklal Choksey	17,800	0.09	17,800	0.09
	Ankur Girish Choksey	13,600	0.07	13,600	0.07
	Prashant Girish Choksey	13,200	0.06	13,200	0.06
	Sunita Girish Choksey	9,200	0.04	9,200	0.04
	Devaki Ashok Parekh	6,400	0.03	6,400	0.03
	Janaki Ashok Parekh	4,800	0.02	4,800	0.02
(b)	<b>Central Government/ State Government(s)</b>				
(c)	<b>Bodies Corporate Names</b>				
	Saldhar Investments And Trading Company Private Limited	10,598,300	51.11	-	-
	Abhiraj Trading And Investment Pvt Ltd	116,468	0.56	116,468	0.56
	Apco Enterprises Limited	112,352	0.54	112,352	0.54
	Bhuvantray Investments And Trading Company Private Limited	99,784	0.48	99,784	0.48
	Aquamarine Trading & Investments Private Limited	98,800	0.48	98,800	0.48
	Gauriputra Investments And Trading Company Private Limited	52,400	0.25	52,400	0.25
	Hmp Minerals Private Limited	19,324	0.09	19,324	0.09
	Forest Hills Trading And Investment P Ltd	8,600	0.04	8,600	0.04
	Haridwar Trading And Investments Pvt Ltd	8,600	0.04	8,600	0.04
	Colortek India Limited	4,150	0.02	4,150	0.02
	Choksey Chemicals Private Ltd	276	0.00	276	0.00
(d)	Financial Institutions/ Banks				
(e)	<b>Any Others</b>				
	<b>Sub Total(A)(1)</b>	<b>12,010,408</b>	<b>57.92</b>	<b>12,010,408</b>	<b>57.92</b>
<b>2</b>	<b>Foreign</b>				
(a)	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-

Particulars		Pre-amalgamation		Post-amalgamation	
Sl. No.	Description	No. of shares	%	No. of shares	%
(b)	Bodies Corporate	-	-	-	-
(c)	Institutions	-	-	-	-
(d)	Any Others	-	-	-	-
	<b>Sub Total(A)(2)</b>	-	-	-	-
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>12,010,408</b>	<b>57.92</b>	<b>12,010,408</b>	<b>57.92</b>
<b>(B)</b>	<b>Public shareholding</b>				
<b>1</b>	<b>Institutions</b>				
(a)	Mutual Funds	2,696	0.01	2,696	0.01
(b)	Alternate Investment Funds	36,910	0.18	36,910	0.18
(c)	Financial Institutions / Banks	38,070	0.18	38,070	0.18
(d)	Any Other				
	Foreign Bank	892	0.00	892	0.00
	UTI	200	0.00	200	0.00
	<b>Sub-Total (B)(1)</b>	<b>78,768</b>	<b>0.38</b>	<b>78,768</b>	<b>0.38</b>
<b>2</b>	Central Government/ State Government(s)/ President of India	-	-	-	-
	<b>Sub-Total (B)(2)</b>	-	-	-	-
<b>3</b>	<b>Non-institutions</b>				
(a)	Individual				
	Individual share capital upto Rs. 2 Lacs	62,02,879	29.91	62,02,879	29.91
	Individual share capital in excess of Rs. 2 Lacs	10,63,521	5.13	10,63,521	5.13
(b)	<b>Any Other</b>				
	Trusts	3,732	0.02	3,732	0.02
	Hindu Undivided Family	2,03,349	0.98	2,03,349	0.98
	Non Resident Indians (Non Repat)	1,55,203	0.75	1,55,203	0.75
	Non Resident Indians (Repat)	1,84,739	0.89	1,84,739	0.89
	Clearing Members	18,061	0.09	18,061	0.09
	Bodies Corporate	817,324	3.94	817,324	3.94
	<b>Sub-Total (B)(3)</b>	<b>86,48,808</b>	<b>41.71</b>	<b>86,48,808</b>	<b>41.71</b>
	<b>Total Shareholding of Public (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>87,27,576</b>	<b>42.08</b>	<b>87,27,576</b>	<b>42.08</b>
	<b>TOTAL (A)+(B)</b>	<b>20,737,984</b>	<b>100</b>	<b>20,737,984</b>	<b>100</b>

Note: Vijay Kishanlal Kedia (Public shareholder) is holding more than 1% of total number of shares

17.2. The pre-amalgamation shareholding pattern of Saldhar as on 30<sup>th</sup> September 2017 is as follows:

Sl. No.	Particulars	Pre - amalgamation	
	Description	No. of shares	%
	<b>Individuals:</b>		
1.	Atul Champaklal Choksey	21,930	43.6%
2.	Parul Choksey	18,362	36.5%
3.	Abhiraj Choksey	7,974	15.8%
4.	Abhiraj Choksey HUF	4	0.01%
5.	Devanshi Jalan	1962	3.9%
	<b>Total</b>	<b>50,232</b>	<b>100%</b>



**18. EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

- 18.1. The Directors and Key Managerial Personnel (KMP) and their respective relatives of Apcotex may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in Apcotex, or to the extent the said Directors/KMP are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust that hold shares in Apcotex. Save as aforesaid, none of the Directors, Managing Director or the Manager or KMP of Apcotex have any material interest in the Scheme.
- 18.2. The details of the present directors and KMP of Apcotex and their respective shareholdings in Apcotex and Saldhar as on 30<sup>th</sup> September 2017 are as follows:

Name of Directors / KMP of Apcotex	Designation	Equity Shares of Rs. 5/- each in Apcotex	Equity Shares of Rs.10/- each in Saldhar
Atul Champaklal Choksey	Chairman	71,398	21,930
Abhiraj Atul Choksey (including Abhiraj Atul Choksey (HUF))	Managing Director	1,24,105	7,978
Girish Champaklal Choksey	Director	17,800	NIL
Amit Champaklal Choksey (including Amit Champaklal Choksey (HUF))	Director	1,10,050	NIL
Manubhai G. Patel	Independent Director	548	NIL
Dr. S. Sivaram	Independent Director	NIL	NIL
Shailesh S. Vaidya	Independent Director	NIL	NIL
Kamlesh Vikamsey	Independent Director	NIL	NIL
Priyamvada Bhumkar	Independent Director	10,000	NIL
Y B Gadgil	Executive Director	2,600	NIL
Anand V Kumashi	Company Secretary	4,600	NIL
Rohit Mahakal	Chief Financial Officer	NIL	NIL

- 18.3. The details of the present directors and KMP of Saldhar and their respective shareholdings in Saldhar and Apcotex as on 30<sup>th</sup> September 2017, are as follows:

Name of Directors / KMP of Saldhar	Designation	Equity Shares of Rs.10/- each in Saldhar	Equity Shares of Rs. 5/- each in Apcotex
Atul Champaklal Choksey	Director	21,930	71,398
Parul Atul Choksey	Director	18,362	72,770
Abhiraj Atul Choksey (including Abhiraj Atul Choksey (HUF))	Director	7,978	1,24,105
Girish Champaklal Choksey	Director	NIL	17,800
Devanshi Anant Veer Jalan	Director	1,962	1,47,353

**19. GENERAL**

- 19.1. Apcotex and Saldhar have made separate applications before the NCLT, Mumbai Bench for the sanction of the Scheme under Sections 230 - 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.
- 19.2. The amount due from Apcotex to its Secured Creditors as on 30<sup>th</sup> June 2017 is Rs. 22,28,74,284.
- 19.3. The amount due from Apcotex to its Unsecured Creditors as on 30<sup>th</sup> June 2017 is Rs. 45,45,41,206.
- 19.4. No amount is due by Saldhar to its Secured Creditors. The amount due from Saldhar to its Unsecured Creditors as on 30<sup>th</sup> June 2017 is Rs 10,350
- 19.5. In relation to the meeting of Apcotex, Equity Shareholders of Apcotex whose names are appearing in the records of Apcotex as on 13<sup>th</sup> day of October 2017 shall be eligible to attend and vote at the meeting of the Equity Shareholders of Apcotex either through postal ballot or in person or by proxies convened as per the directions of the NCLT or cast their votes using remote e-voting facility.
- 19.6. The rights and interests of Secured Creditors and Unsecured Creditors of either of the Companies 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 and post the Scheme, Apcotex will be able to meet its liabilities as they arise in the ordinary course of business.

- 19.7. None of Directors and KMP of Apcotex or their respective relatives is in any way connected or interested in the aforesaid resolution except to the extent of their respective shareholding, if any.
- 19.8. The latest audited accounts for the year ended 31<sup>st</sup> March 2017 and supplementary unaudited accounting statement for the quarter ended 30<sup>th</sup> June 2017 of Apcotex indicates that it is in a solvent position and would be able to meet liabilities as they arise in the course of business. There is no likelihood that any Secured Creditor or Unsecured Creditor of Apcotex would lose or be prejudiced as a result of this Scheme being passed since no sacrifice or waiver is at all called for from them nor are their rights sought to be adversely modified in any manner. Hence, the amalgamation will not cast any additional burden on the shareholders or creditors of the Company, nor will it adversely affect the interest of any of the shareholders or creditors.
- 19.9. There are no winding up proceedings pending against Apcotex as of date.
- 19.10. No investigation proceedings are pending or are likely to be pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of Apcotex.
- 19.11. A copy of the Scheme has been filed by Apcotex with the Registrar of Companies, Maharashtra.
- 19.12. Apcotex and Saldhar are required to seek approvals / sanctions / no- objections from certain regulatory and governmental authorities for the Scheme which inter alia includes Registrar of Companies, Regional Director and Income-tax authorities which it will obtain at the relevant time.
- 19.13. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
- 19.14. Names and addresses of the Directors and Promoters of Apcotex are as under:

Sl. No.	Name of Director	Address
1.	Atul Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
2.	Abhiraj Atul Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
3.	Girish Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
4.	Amit Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
5.	Manubhai G. Patel	13, Sahyog, Sardar Patel Nagar, Behind Navrang- Pura Telephone Exchange, Ellisbridge, Ahmedabad 380006
6.	Dr. S. Sivaram	Apartment No. 10 , Gulmohar Glory-5 Gulmohar Park Iti Road Aundh Pune 411007
7.	Shailesh S. Vaidya	801, Sumer Heights, K.M. Munshi Marg, Chowpatty Mumbai 400007
8.	Kamlesh Vikamsey	194, Kalpataru Habitat, Tower- A Dr .S.S Rao Road ,Parel Mumbai 400012
9.	Priyamvada Bhumkar	VasantVihar Complex, Row House, 33/34, Pokhran Road No.2, Majiwade, Thane - Wes T Mumbai 400601
10.	Y B Gadgil	104 Sonakshi Plot No R- 16 Sudarshan Nagar Dombivli East 421203

Sl. No.	Name of Promoter	Address
1.	Atul Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
2.	Abhiraj Atul Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
3.	Girish Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
4.	Amit Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
5.	Ankita Amit Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
6.	Ankur Girish Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
7.	Biyash Abhiraj Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
8.	Devaki Ashok Parekh	Chandrakiran 63 Vallabhnagar Society Juhu Scheme North South Road No 1 Vile Parle West Mumbai 400056
9.	Devanshi Anant Veer Jalan	4 B Geetanjali 4th Floor 9 N Gamadia Cross Road Off Peddar Road Mumbai 400026
10.	Janaki Ashok Parekh	Meher Apt 83 B Altamount Road Off Austoy Rd Mumbai 400026
11.	Namrata Amit Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
12.	Parul Atul Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
13.	Prashant Girish Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026

14.	Priti Amit Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
15.	Rita Ashok Parekh	B 83 Floor 8 Plot 6/8 B Wing Meher Apartment Amnesty Road Altamount Road Cumballa Mumbai 400026
16.	Sunita Girish Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
17.	Colortek India Limited	111 Industrial Area Sion Mumbai 400022
18.	HMP Minerals Private Limited	111 Industrial Area Sion Mumbai 400022
19.	Abhiraj Trading And Investment Pvt Ltd	N K Mehta International House 178 , Backbay Reclamation Babubhai Chinai Marg Mumbai 400020
20.	Apco Enterprises Limited	N K Mehta International House 178 , Backbay Reclamation Babubhai Chinai Marg Mumbai 400020
21.	Aquamarine Trading & Investments Private Limited	111 Industrial Area Sion Mumbai 400022
22.	Bhuvantray Investments And Trading Company Private Limited	111 Industrial Area Sion Mumbai 400022
23.	Choksey Chemicals Private Ltd	111 Industrial Area Sion Mumbai 400022
24.	Forest Hills Trading And Investment P Ltd	63 Chandrakiran Vallabh Nagar Society N S Road No 1 Vile Parle (West) Mumbai 400056
25.	Gauriputra Investments And Trading Company Private Limited	111 Industrial Area Sion Mumbai 400022
26.	Haridwar Trading And Investments Pvt Ltd	63 Chandrakiran Vallabh Nagar Society N S Road No 1 Vile Parle West Mumbai 400056
27.	Saldhar Investments And Trading Company Private Limited	N K Mehta International House 178 , Backbay Reclamation Babubhai Chinai Marg Mumbai 400020

19.15. Names and addresses of the directors and promoters of Saldhar are as under:

Sl. No.	Name of Director	Address
1.	Atul Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
2.	Abhiraj Atul Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
3.	Girish Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
4.	Parul Atul Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
5.	Devanshi Anant Veer Jalan	4 B Geetanjali 4th Floor 9 N Gamadia Cross Road Off Peddar Road Mumbai 400026

Sl. No.	Name of Promoter	Address
1.	Atul Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
2.	Abhiraj Atul Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
3.	Girish Champaklal Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
4.	Parul Atul Choksey	Geetanjali, 9 N Gamadia Road Off Peddar Road Mumbai 400026
5.	Devanshi Anant Veer Jalan	4 B Geetanjali 4th Floor 9 N Gamadia Cross Road Off Peddar Road Mumbai 400026

19.16. Details of Directors of Apcotex who voted in favour / against / did not participate on resolution passed at the meeting of the Board of Directors of Apcotex are given below:

Sl. No	Name of Director	Voted for the Resolution	Voted Against the Resolution	Did not Vote or Participate
1.	Atul Champaklal Choksey	-	-	Did not participate
2.	Abhiraj Atul Choksey	-	-	Did not participate
3.	Girish Champaklal Choksey	-	-	Did not participate
4.	Amit Champaklal Choksey	-	-	Did not participate
5.	Manubhai G. Patel	Yes	Not Applicable	Not Applicable
6.	Dr. S. Sivaram	Yes	Not Applicable	Not Applicable
7.	Shailesh S. Vaidya	Yes	Not Applicable	Not Applicable
8.	Kamlesh Vikamsey	Yes	Not Applicable	Not Applicable
9.	Priyamvada Bhumkar	Yes	Not Applicable	Not Applicable

- 19.17. Details of directors of Saldhar who voted in favour / against / did not participate on resolution passed at the meeting of the Board of Directors of Saldhar are given below:

Sl. No	Name of Director	Voted for the Resolution	Voted Against the Resolution	Did not Vote or Participate
1.	Atul Champaklal Choksey	Yes	Not Applicable	Not Applicable
2.	Abhiraj Atul Choksey	Yes	Not Applicable	Not Applicable
3.	Girish Champaklal Choksey	Yes	Not Applicable	Not Applicable
4.	Parul Atul Choksey	Yes	Not Applicable	Not Applicable
5.	Devanshi Anant Veer Jalan	Yes	Not Applicable	Not Applicable

- 19.18. For the purpose of amalgamation of Saldhar with Apcotex, M/s SSPA & Co., Chartered Accountants have recommended a ratio of allotment of equity shares. The ratio has been determined on the basis of equity shares held by Saldhar in Apcotex. Currently, Saldhar holds 1,05,98,300 shares in Apcotex. Accordingly, upon amalgamation of Saldhar into Apcotex, the shareholders of Saldhar would be entitled to the same number of shares of Apcotex which they own indirectly through their holding in Saldhar on the Record Date (as defined in the Scheme). Pursuant to amalgamation there would be no change in the paid up share capital of Apcotex. M/s. Pantomath Capital Advisors Pvt Ltd, a Category I Merchant Banker after having reviewed the Share Entitlement Report of M/s SSPA & Co. Chartered Accountants and on consideration of all the relevant factors and circumstances, opined that in their view the independent valuer's proposed share entitlement ratio is fair.
- 19.19. A report adopted by the Directors of Apcotex, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders, laying out in particular the share allotment, is attached herewith. Apcotex does not have any depositors, deposit trustee and debenture trustee. There will be no adverse effect on account of the Scheme as far as the employees and creditors of Apcotex are concerned.
- 19.20. A copy of the Supplementary Unaudited Accounting Statement of Apcotex and Saldhar for the period ended 30<sup>th</sup> June, 2017 are attached herewith.
- 19.21. As far as the employees of Apcotex are concerned there would not be any change in their terms of employment on account of the Scheme. Further, no change in the Board of Directors of Apcotex is envisaged on account of the Scheme.
- 19.22. The following documents will be open for inspection by the equity shareholders of Apcotex at its registered office at Plot No.3/1, MIDC Industrial Area, Taloja- 410 208, Dist. Raigad, Maharashtra between 10:00 a.m. and 1:00 p.m. on all days (except Sundays and public holidays) upto the date of the meeting:
- Copy of the order passed by the NCLT in Company Scheme Application No. 883 of 2017 and Company Scheme Application No. 884 of 2017, dated 22<sup>nd</sup> day of September 2017 of Apcotex and Saldhar, respectively;
  - Copy of the Company Scheme Application No. 883 of 2017 and Company Scheme Application No. 884 of 2017 along with annexures filed by Apcotex and Saldhar, respectively before NCLT;
  - Copy of the Memorandum and Articles of Association of Apcotex and Saldhar, respectively;
  - Copy of the annual reports of Apcotex for the financial year ended 31<sup>st</sup> March 2017, 31<sup>st</sup> March 2016 and 31<sup>st</sup> March 2015;
  - Copy of the audited financial statements of Saldhar for the financial year ended 31<sup>st</sup> March 2017, 31<sup>st</sup> March 2016 and 31<sup>st</sup> March 2015;
  - Copy of the Supplementary Unaudited Accounting Statement of Apcotex and Saldhar, for the period ended 30<sup>th</sup> June 2017;
  - Copy of the Register of Directors' shareholding of Apcotex and Saldhar, respectively;
  - Copy of Share Entitlement Report dated 30<sup>th</sup> day of March 2017 submitted by M/s SSPA & Co., Chartered Accountants;
  - Copy of the Fairness Opinion dated 30<sup>th</sup> day of March 2017, issued by M/s Pantomath Capital Advisors Pvt Ltd;
  - Copy of the Audit Committee Report dated 31<sup>st</sup> day of March 2017 of Apcotex;
  - Copy of the resolutions dated 31<sup>st</sup> day of March 2017 passed by the respective Board of Directors of Apcotex and Saldhar, approving the Scheme;
  - Copy of the extracts of the minutes of the meetings held on 31<sup>st</sup> day of March 2017 of the Board of Directors of Apcotex and Saldhar, respectively, in respect of the approval of the Scheme;
  - Copy of the Statutory Auditors' certificate dated 31<sup>st</sup> day of March 2017 issued by M/s Kalyaniwalla & Mistry LLP, Chartered Accountants, to Apcotex;

- (xiv) Abridged Prospectus as provided in Part D of Schedule VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations including applicable information pertaining to Saldhar Investments and Trading Company Private Limited;
- (xv) Copy of the Report on Complaints dated 21<sup>st</sup> day of July 2017, submitted by Apcotex to BSE and NSE;
- (xvi) Copy of the no objection letter issued by BSE and NSE dated 1<sup>st</sup> September 2017 and 4<sup>th</sup> September 2017 respectively;
- (xvii) Copy of Form No. GNL-1 filed by the respective Companies with the concerned Registrar of Companies along with challan, evidencing filing of the Scheme;
- (xviii) Copy of letter dated 21<sup>st</sup> July 2017 received from RBI granting its approval for merger of Saldhar Investments and Trading Company Private Limited with Apcotex Industries Limited
- (xix) Copy of the Scheme of Amalgamation; and
- (xx) Copy of the Reports dated 31<sup>st</sup> March 2017 adopted by the Board of Directors of Apcotex and Saldhar, respectively pursuant to provision of Section 230 to 232 of the Companies Act, 2013.

19.23. This Statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016. A copy of this Scheme, Explanatory Statement and Form of Proxy may be obtained free of charge on any working day (except Sundays and public holidays) prior to the date of the meeting, from the Registered Office of Apcotex.

**Sd/-**

**Mr. Atul Champaklal Choksey**  
**Chairman appointed for the meeting**

Dated this 9<sup>th</sup> day of October 2017

**Registered Office:**

Plot no. 3/1,  
MIDC Industrial Area,  
Taloja - 410 208,  
Dist. Raigad, Maharashtra

**SCHEME OF AMALGAMATION  
BETWEEN  
SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED  
AND  
APCOTEX INDUSTRIES LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS**

**(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER)**

This Scheme of Amalgamation ('Scheme') is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 for amalgamation of Saldhar Investments and Trading Company Private Limited ('Saldhar') into Apcotex Industries Limited ('Apcotex'). The equity share capital of Apcotex is listed on the National Stock Exchange of India and on the Bombay Stock Exchange.

**I. OBJECT OF THE SCHEME**

Saldhar forms part of the Promoter Group of Apcotex. It presently holds 1,05,98,300 equity shares in Apcotex constituting 51.1% of Apcotex's paid up share capital.

It is proposed to amalgamate Saldhar into Apcotex by this Scheme, as a result of which, shareholders of Saldhar viz. the promoters of Saldhar (who are also the promoters of Apcotex), shall directly hold shares in Apcotex.

This will lead not only to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with Apcotex.

The amalgamation would result in more effective utilization of resources of both Saldhar and Apcotex, including pooling of financial resources of Saldhar and Apcotex, leading to more effective and centralized management of funds, greater economies of scale and reduction in administrative expenses, which are presently being multiplied being separate entities.

Pursuant to the amalgamation, there would be no change in the promoter shareholding of Apcotex. The promoters would continue to hold the same percentage of shares in Apcotex, pre and post amalgamation of Saldhar in Apcotex.

All costs and charges of any nature arising of or incurred in connection with and implementing this Scheme shall be borne by Saldhar and/or its shareholders.

Further, the Scheme also provides that promoters shall indemnify Apcotex and keep Apcotex indemnified for any contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party(ies) including Government authorities on Apcotex which are directly relatable to Saldhar or which may devolve on Apcotex on account of this amalgamation.

In consideration of the abovementioned rationale and related benefits, this Scheme between Saldhar and Apcotex is being proposed in accordance with the terms set out hereunder.

**II. PARTS OF THE SCHEME**

This Scheme of Amalgamation is divided into the following parts:-

- (i) **Part A** - Definitions of the terms used in this Scheme of Amalgamation and the share capital of Saldhar and Apcotex;
- (ii) **Part B** - dealing, inter alia, with the merger of Saldhar with Apcotex;
- (iii) **Part C** - dealing with the general terms and conditions and other matters consequential to and integrally connected with the Scheme of Amalgamation.

**PART A**

**DEFINITIONS AND SHARE CAPITAL**

**1. DEFINITIONS**

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 **"Act" or "the Act"** means the Companies Act, 2013 and the rules and regulations made thereunder as the case may be, and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.

- 1.2 “**Apcotex**” or “**Transferee Company**” means Apcotex Industries Limited incorporated under the Companies Act, 1956, having its registered office at Plot No 3/1, MIDC Industrial Area, Taloja, 410208, Maharashtra.
- 1.3 “**Appointed Date**” means March 31, 2017 or such other date as may be fixed by the National Company Law Tribunal.
- 1.4 “**Board of Directors**” or “**Board**” in relation to Saldhar and Apcotex as the case may be, means the board of directors of Saldhar and Apcotex and shall include a duly constituted committee thereof.
- 1.5 “**Effective Date**” means the last of the dates on which all of the conditions specified in Clause 20 of this Scheme are satisfied or complied with and any reference in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” means and refers to the Effective Date.
- 1.6 “**Government**” means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body having jurisdiction over the territory of India.
- 1.7 “**Income Tax Act**” means the Income Tax Act, 1961, including any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.8 “**Record Date**” means the date fixed by the Board of Directors or a committee thereof of Apcotex for the purpose of determining the members of Saldhar to whom New Equity Shares will be allotted pursuant to the Scheme.
- 1.9 “**Saldhar**” or “**Transferor Company**” means Saldhar Investments and Trading Company Private Limited incorporated under the Act, having its registered office at N K Mehta International House, 178 Backbay Reclamation, Babubhai M Chinnai Marg, Mumbai 400020.
- 1.10 “**Scheme**” or “**the Scheme of Amalgamation**” or “**this Scheme**” means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 19 of this Scheme as approved or directed by the Tribunal.
- 1.11 “**SEBI**” means Securities and Exchange Board of India.
- 1.12 “**SEBI Circular**” means circular no CFD/DIL3/CIR/2017/21 issued on March 10, 2017 by SEBI, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI from time to time.
- 1.13 “**Stock Exchange**” means BSE Limited and National Stock Exchange of India Limited.
- 1.14 “**Tribunal**” means the National Company Law Tribunal, Bench at Mumbai.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time.

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The merger of Saldhar into Apcotex, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date, but shall be operative from the Effective Date. Therefore, for all regulatory and tax purposes, the merger would be effective from the Appointed Date of the Scheme. Notwithstanding the above, the accounting treatment to be adopted to give effect to the provisions of the Scheme would be in consonance with Indian Accounting Standards, 103 (Ind AS 103) and the mere adoption of such accounting treatment will not in any manner affect the vesting of the merger from the Appointed Date.

## 3. SHARE CAPITAL

- 3.1 The share capital of Saldhar as per the latest audited balance sheet as on March 31, 2016 is as under:

<b>Authorized Capital</b>	<b>Amount (Rs.)</b>
96,000 Equity Shares of Rs. 10/- each	9,60,000
400 Non-Cumulative Redeemable Preference Shares of Rs. 100/- each	40,000
<b>Total</b>	<b>10,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	<b>Amount (Rs.)</b>
10,000 Equity Shares of Rs. 10/- each, fully paid up	1,00,000
<b>Total</b>	<b>1,00,000</b>
Share Suspense Account	4,02,320

Subsequent to March 31, 2016, there is a change in the authorized, issued and subscribed share capital of Saldhar. Accordingly, the authorized, issued and subscribed share capital of Saldhar as on December 31, 2016 is as under:

<b>Authorized Capital</b>	<b>Amount (Rs.)</b>
4,46,000 Equity Shares of Rs.10/- each	44,60,000
400 Non-Cumulative Redeemable Preference Shares of Rs. 100/- each	40,000
<b>Total</b>	<b>45,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	<b>Amount (Rs.)</b>
50,232 Equity Shares of Rs. 10/- each, fully paid up	5,02,320
<b>Total</b>	<b>5,02,320</b>

3.2 The share capital of Apcotex as per the latest audited balance sheet as on March 31, 2016 is as under:

<b>Authorized Capital</b>	<b>Amount (Rs.)</b>
2,99,40,000 Equity Shares of Rs 5/- each	14,97,00,000
500 Preference Shares of Rs 100/- each	50,000
50,000 Unclassified Shares of Rs 5/- each	2,50,000
<b>Total</b>	<b>15,00,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	<b>Amount (Rs.)</b>
2,07,37,984 Equity Shares of Rs.5/- each	10,36,89,920
Amount forfeited on 78,051 shares at Rs 5/- each	3,90,255
<b>Total</b>	<b>10,40,80,175</b>

Subsequent to March 31, 2016, there is a change in the authorized share capital of Apcotex. Accordingly, the authorized, issued and subscribed share capital of Apcotex as on December 31, 2016 is as under:

<b>Authorized Capital</b>	<b>Amount (Rs.)</b>
6,22,60,000 Equity Shares of Rs 5/- each	31,13,00,000
500 Preference Shares of Rs 100/- each	50,000
50,000 Unclassified Shares of Rs 5/- each	2,50,000
<b>Total</b>	<b>31,16,00,000</b>
<b>Issued, Subscribed and Paid-up Capital</b>	<b>Amount (Rs.)</b>
2,07,37,984 Equity Shares of Rs.5/- each	10,36,89,920
Amount forfeited on 78,051 shares at Rs 5/- each	3,90,255
<b>Total</b>	<b>10,40,80,175</b>

## **PART B**

### **TRANSFER AND VESTING OF THE BUSINESS AND UNDERTAKING OF SALDHAR INTO APCOTEX**

#### **4. TRANSFER AND VESTING OF UNDERTAKING OF SALDHAR**

- 4.1 With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and undertakings including all its properties and assets (whether movable or immovable, tangible or intangible, present or future or contingent of whatsoever nature) of Saldhar shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the orders of the Tribunal, sanctioning the Scheme shall without any further act, deed, matter or thing, stand transferred to and vested in and/or deemed to be transferred to and vested in Apcotex so as to become the properties and liabilities of Apcotex free from all encumbrances, but subject to subsisting charges and pledges, if any.
- 4.2 With effect from the Appointed Date, the whole of the undertaking of Saldhar as a going concern, including its business, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, reserves, provisions, funds,



licenses, registrations, copyrights, brands, trade and service names, patents, trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trademarks, leases, licenses, tenancy rights, premise, hire purchase and lease arrangements, lending arrangements, joint venture agreements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, quotas, entitlements, allotments, approvals, consents, privileges, liberties, advantages, easements and all rights, title, interest, goodwill, benefit and advantage, deposits, advances, receivables, funds, cash, bank balances, accounts (including demat accounts with depository participants) and all other rights, benefits of all agreements, subsidies, grants, tax credits (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, minimum alternate tax, taxes deducted at source etc), software license, domain/website etc all files, papers, records engineering and catalogues, data quotations sales/advertisement materials and former customers (price information)/suppliers (credit information) other records whether in physical, electronic form in connection/relating to Saldhar and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by Saldhar whether in India or abroad as on the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in Apcotex as a going concern so as to become as from the Appointed Date the undertaking of Apcotex and to vest in Apcotex all the rights, title, interest or obligations of Saldhar therein.

- 1.3 Without prejudice to the generality of Clause 4.1 and 4.2 above, it is expressly provided that such of the assets of Saldhar that are tangible and movable including cash on hand, etc., shall with effect from the Appointed Date and subject to the provisions of this Scheme, be transferred by physical delivery and/or endorsement and delivery to Apcotex to the end and intent that the property therein passes to Apcotex upon such delivery.
- 1.4 Without prejudice to the generality of Clause 4.1 and 4.2 above, movable assets, other than those specified in Clause 4.3 above, including sundry debtors, outstanding loans recoverable in cash or in kind or value to be received, bank balances and deposits of Saldhar shall with effect from the Appointed Date and subject to provisions of this Scheme, stand transferred to and vested in Apcotex without any notice or other intimation to the debtors and the debtors shall be obliged to make payment to Apcotex. Apcotex may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of Apcotex to recover or realise the same is in substitution of the right of Saldhar.
- 1.5 All the assets and properties which are acquired by Saldhar on or after the Appointed Date but prior to Scheme becoming effective shall be deemed to be and shall become the assets and properties of Apcotex and shall under the provisions of Sections 230 to 232 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in Apcotex upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.
- 1.6 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions, approvals, quotas or consents to carry on the operations and business of Saldhar shall stand vested in or transferred to Apcotex without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of Apcotex. The benefit of all statutory and regulatory permissions registrations or other licenses and consents shall vest in and shall be in full force and effect against or in favour of Apcotex and may be enforced as fully and effectually as if instead of Saldhar, Apcotex had been the party thereto or the beneficiary or obligee thereof pursuant to this Scheme.
- 1.7 With effect from the Appointed Date, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of Saldhar, shall be deemed to have been transferred to Apcotex and to the extent they are outstanding on the Scheme becoming effective shall, without any further act, deed, matter or thing be and stand transferred to Apcotex and shall become the liabilities and obligations of Apcotex which undertakes to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.
- 1.8 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of Saldhar as on the Appointed Date, deemed to be transferred to Apcotex has been discharged by Saldhar, after the Appointed Date and prior to the Scheme becoming effective, such discharge shall be deemed to have been for and on account of Apcotex, and all loans raised and used and all liabilities and obligations incurred by Saldhar after the Appointed Date and prior to the Scheme becoming effective shall be deemed to have been raised, used or incurred for and on behalf of Apcotex and to the extent they are outstanding on the Scheme becoming effective, shall also without any further act, deed, matter or thing stand transferred to Apcotex and become the liabilities and obligations of Apcotex which undertakes to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause.

- 1.9 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between Saldhar and Apcotex shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of Apcotex. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the Appointed Date.
- 1.10 The transfer and vesting of all the assets of Saldhar as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such charges, mortgages and/or encumbrances shall be confined only to the relative assets of Saldhar or part thereof on or over which they are subsisting on transfer to and vesting of such assets in Apcotex and no such charges, mortgages, and/or encumbrances shall be enlarged or extend over or apply to any other asset(s) of Apcotex. Any reference in any security documents or arrangements (to which Saldhar is a party) to any assets of Saldhar shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Apcotex and Apcotex shall not be obliged to create any further or additional security. Similarly, Apcotex shall not be required to create any additional security over assets of Saldhar vested in Apcotex under this Scheme for any loans, debentures, deposits or other financial assistance already availed by it and/or committed to be availed by it prior to the amalgamation and the charges, mortgages, and/ or encumbrances in respect thereof shall not extend or be deemed to extend or apply to the assets of Saldhar as the case may be, vested in Apcotex under this Scheme. Further clarified that the filing of certified copies of the order of the Tribunal sanctioning the Scheme with the relevant Registrar of Companies shall be deemed to be sufficient for creating or modifying the charge in favor of the secured creditors of Saldhar as required as per the provisions of this Scheme.
- 1.11 Without prejudice to the provisions of the foregoing clauses and upon the Scheme becoming effective, Saldhar and Apcotex shall execute all such instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies, Mumbai to give formal effect to the above provisions, if required.
- 1.12 Upon the Scheme being sanctioned and taking effect, Apcotex shall be entitled to operate all bank accounts (including demat accounts) related to Saldhar and all cheques, drafts, pay orders, instruction slips, direct and indirect tax balances and/or payment advices of any kind or description issued in favour of Saldhar, either before or after the Appointed Date, or in future, may be deposited with the bank / depository participant of Apcotex and credit of all receipts thereunder will be given in the accounts of Apcotex.
- 1.13 The amalgamation of Saldhar with Apcotex, pursuant to and in accordance with this Scheme covered in Clause 4.1 to 4.12 above, shall be in accordance with Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the said Section. Such modification will however not affect the other parts of the Scheme.

## **5. TAXATION MATTERS**

- 5.1 Upon this Scheme becoming effective i.e. from the Appointed Date, all taxes payable by Saldhar under the Income-tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter referred to as "tax laws"), shall be to the account of Apcotex, similarly all credits for tax deduction at source on income of Saldhar or obligation for deduction of tax at source on any payment made by or to be made by Saldhar shall be made or deemed to have been made and duly complied with by Apcotex if so made by Saldhar. Similarly any advance tax payment required to be made for by the specified due dates in the tax laws shall also be deemed to have been made by Apcotex if so made by Saldhar. Further the Minimum Alternate Tax paid by Saldhar under section 115JB and / or other provisions (as applicable) of the Income-tax Act, 1961, shall be deemed to have been paid on behalf of Apcotex, and the Minimum Alternate Tax credit (if any) of Saldhar as on the Appointed Date shall stand transferred to Apcotex and such credit would be available for set-off against the tax liabilities of Apcotex. Any refunds under the tax laws due to Saldhar consequent to the assessments made on Saldhar and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by Apcotex.
- 5.2 All taxes of any nature, duties, cesses or any other like payments or deductions made by Saldhar or any of its agents to any statutory authorities such as income tax, or any tax deduction / collection at source, tax credits under tax laws, relating to the period after the Appointed Date shall be deemed to have been on account of or paid by Apcotex, and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Apcotex upon relevant proof and documents being provided to the said authorities.
- 5.3 On or after the Scheme becoming effective, Saldhar and Apcotex are expressly permitted to revise their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for the purpose of re-computing tax on book profits and claiming other tax benefits), and other tax laws, and to claim refunds and/or credits for taxes paid, and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme from the Appointed Date.

## 6. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.

- 6.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, indemnities, licenses, permits, registrations, approvals, insurance policies, and other instruments, if any including tenancies, licenses and other assurances of Saldhar or the powers or authorities granted by way of any of them, of whatsoever nature to which Saldhar is a party or to the benefit of which Saldhar may be eligible, and which are subsisting or having effect on the Scheme becoming effective, shall without any further act, deed, instrument, matter or thing be and remain in full force and effect against or in favour of Apcotex, as the case may be, and may be enforced by or against Apcotex as fully and effectually as if, instead of Saldhar, Apcotex had been a party thereto or beneficiary or obligee thereto.
- 6.2 Without prejudice to Clause 6.1 above, Apcotex shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Saldhar shall, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, Apcotex shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of Saldhar and to implement or carry out all formalities required on the part of Saldhar to give effect to the provisions of this Scheme.

## 7. LEGAL PROCEEDINGS

- 7.1 All legal proceedings of whatsoever nature by or against Saldhar pending and/ or arising on or after the Appointed Date and relating to Saldhar shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against Apcotex in the manner and to the same extent as would or might have been continued and enforced by or against Saldhar if this Scheme had not been made.
- 7.2 Apcotex undertakes to have all legal or other proceedings initiated by or against Saldhar referred to in Clause 7.1 above transferred in its name respectively and to have the same continued, prosecuted and enforced by or against Apcotex to the same extent as would or might have been continued and enforced by or against Saldhar to the exclusion of Saldhar.

## 8. STAFF & EMPLOYEES

- 8.1 Upon this Scheme becoming effective, all employees of Saldhar shall be deemed to have become employees of Apcotex with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with Apcotex shall not be less favorable than those applicable to them with reference to Saldhar on the date on which scheme becomes effective.

## 9. CONSIDERATION

- 9.1 Upon the Scheme becoming effective and upon the amalgamation of Saldhar with Apcotex in terms of this Scheme, Apcotex shall without any application or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of Saldhar holding fully paid up equity shares of Saldhar and whose name appear in the register of members of Saldhar on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Saldhar/Apcotex in the following proportion:

***“1,05,98,300 fully paid-up equity shares (face value of INR 5 each) of Apcotex against 1,05,98,300 fully paid equity shares (face value of INR 5 each) of Apcotex held by Saldhar in Apcotex shall be issued and allotted to shareholders of Saldhar in the proportion of their holding in Saldhar.*”**

***“In the event Saldhar holds more than 1,05,98,300 fully paid up equity shares of Apcotex (without incurring any additional liability) on the Record Date, such additional number of equity shares of Apcotex (if any) as may be held by Saldhar in Apcotex, shall also be issued and allotted to the equity shareholders of Saldhar in proportion to their holding in Saldhar”.*”**

- 9.2 It is clarified that any positive net assets of Saldhar as on the Appointed Date, other than the investment in the shares of Apcotex, will not affect/alter the share exchange ratio.
- 9.3 The equity shares issued and allotted pursuant to Scheme of Amalgamation and shall be hereinafter referred to as “New Equity Shares”.
- 9.4 The New Equity Shares to be issued to the members of Saldhar shall be in multiples of 1 (One) and, in case of any fractional entitlement, the same shall be rounded to the nearest integer. However, in no event shall the number of New Equity Shares to be allotted by Apcotex to the shareholders of Saldhar exceed the number of equity shares held by Saldhar in Apcotex on the Record Date.
- 9.5 The New Equity Shares to be issued to the members of Saldhar as above shall be subject to the Memorandum and Articles of Association of Apcotex. Further, the New Equity Shares issued shall rank *pari passu* with the existing equity shares of Apcotex in all respects including dividends, if any that may be declared by Apcotex on or after the Scheme becoming effective, as the case may be.
- 9.6 The issue and allotment of the New Equity Shares to the shareholders of Saldhar as provided in Clause 9.1 of this Scheme, is an integral part of the Scheme thereof, and shall be deemed to be have carried out without requiring any further act on

the part of Apcotex or its shareholders as if the procedure laid down under Section 62 of the Act and any other applicable provisions of the Act, were duly complied with.

9.7 The New Equity Shares shall be issued in dematerialized form to those equity shareholders of Saldhar, whose details relating to their accounts with the depository participants are available with Apcotex. All those equity shareholders who desire to obtain New Equity Shares in physical form shall be issued New Equity Shares in physical form, at the option of such shareholders to be exercised by them on or before the Record Date by giving a notice in writing to Apcotex.

9.8 The investment held by Saldhar in the equity share capital of Apcotex shall, without any further application, act, instrument or deed stand cancelled. The share certificates, if any, in relation to the shares held by Saldhar shall be of no effect and the shares held by Saldhar in dematerialized form shall be extinguished on and from such issue and allotment of New Equity Shares.

#### **10. LISTING OF NEW EQUITY SHARES OF APCOTEX**

10.1 The New Equity Shares to be issued and allotted in terms of Clause 9.1 above, shall, in compliance with the requirement of applicable regulations, be listed and/or admitted to trading on the Stock Exchange where the existing equity shares of Apcotex are listed. Apcotex shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the formalities of the Stock Exchange. On such formalities being fulfilled, the Stock Exchange shall list and/or admit the New Equity Shares for the purpose of trading.

#### **11. REDUCTION OF SHARE CAPITAL**

11.1 Upon the Scheme becoming effective and simultaneous to the New Equity Shares being issued by Apcotex, the equity shares of Apcotex held by Saldhar on Scheme becoming effective shall be cancelled without any further act or deed without any payment or consideration and no shares of Apcotex shall be issued in lieu thereof to that extent. Accordingly, the share capital of Apcotex shall stand reduced to the extent of face value of shares held by Saldhar as on the Effective date.

11.2 Such reduction of share capital of Apcotex as provided in Clause 11.1 above shall be effected as integral part of the Scheme.

#### **12. ACCOUNTING TREATMENT ON MERGER OF SALDHAR INTO APCOTEX**

12.1 Apcotex shall account for the merger in accordance with Pooling of Interest method in accordance with IndAS 103 notified under the provisions of the Companies Act, 2013 read with relevant rules framed thereunder and other applicable accounting standards prescribed under the Act.

12.2 The assets and liabilities of Saldhar transferred to and vested in Apcotex shall be recorded at their respective carrying amount and in the same form as appearing in the books of accounts of Saldhar.

12.3 The reserves of Saldhar (other than reserves created as per the Reserve Bank of India Act) will be taken over and merged in the books of Apcotex at the same value and nomenclature as appearing in the books of Saldhar. The Reserves created in the books of Saldhar as per the Reserve Bank of India Act will be taken over and merged in General Reserves in the books of Apcotex.

12.4 The shares of Apcotex held by Saldhar shall not be recorded by Apcotex and shall be cancelled.

12.5 To the extent there are inter-company loans, advances, deposits, balances or other obligations amongst Saldhar and Apcotex, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of account and records of Apcotex as well as Saldhar for the reduction of any assets or liabilities as the case may be.

12.6 The difference between the assets and liabilities of Saldhar transferred to and recorded by Apcotex in terms of Clause 12.2 and the reserves referred to in Clause 12.3 above, over the amount credited as share capital in terms of Clause 9.1 and the amount of shares cancelled in accordance with Clause 11.1, hereinabove (after adjusting intercompany balances and investments as mentioned in Clause 12.4 and Clause 12.5 above) shall be adjusted against Capital Reserve.

#### **13. CONDUCT OF BUSINESS UNTIL THE SCHEME BECOMES EFFECTIVE**

With effect from the Appointed Date and upto the date the Scheme becomes effective:

13.1 Saldhar shall (i) carry on and be deemed to have carried on its businesses and activities; and (ii) be deemed to have held and stood possessed of and shall hold and stand possessed of its entire businesses and undertakings, including assets for and on account of and in trust for Apcotex.

13.2 All the profits, taxes or income accruing or arising to Saldhar or costs, charges, expenditure or losses incurred or arising to Saldhar shall for all purposes be treated and deemed to be and accrue as the profits, taxes or income or cost, charges, expenditure or losses (as the case may be) of Apcotex.

13.3 Saldhar shall carry on its businesses and activities in the ordinary course of business with reasonable diligence and business prudence and shall not undertake financial commitments either for itself or on behalf of group companies or any third party or sell, transfer, alienate, charge, or encumber or otherwise deal with or dispose of its business or undertaking or any part thereof, save and except in the ordinary course of business or with the prior written consent of Apcotex. Notwithstanding, the

aforesaid, Saldhar will not, in any event, transfer or otherwise dispose of or create any form of encumbrance in any manner over the shares held by Saldhar in Apcotex.

13.4 Apcotex shall be entitled to apply to the Central Government and any other Government or statutory authorities/agencies/body concerned as are necessary under any law for such consents, approvals, licenses, registrations and sanctions which Apcotex may require to carry on the business of Saldhar.

13.5 Any income, profits or other funds of Saldhar will first be utilized to meet any current or expected liabilities of Saldhar, including any tax liabilities or costs in relation to the amalgamation of Saldhar with Apcotex, before they are utilized for other purposes, including but not limited to utilization in accordance with Clause 17 of this Scheme.

13.6 With effect from the Appointed Date and upto and including upto the date the Scheme becomes effective, in the event Apcotex distributes dividend (including interim dividend) or issues bonus shares or offers rights shares to its shareholders, Saldhar shall be entitled to receive such dividend and bonus shares, and subscribe to such rights shares offered by Apcotex.

#### **14. SAVING OF CONCLUDED TRANSACTIONS**

14.1 The transfer and vesting of the assets, liabilities and obligations pertaining /relating to Saldhar, pursuant to this Scheme, and the continuance of the proceedings by or against Apcotex, under Clause 7 hereof shall not affect any transactions or proceedings already completed by Saldhar, on and after the Appointed Date to the end and intent that Apcotex accepts all acts, deeds and things done and executed by and/ or on behalf of Saldhar, as acts, deeds and things done and executed by and on behalf of Apcotex.

#### **15. DISSOLUTION OF SALDHAR**

15.1 Upon the coming into effect of the Scheme, Saldhar shall, without any further act, instrument or deed, stand dissolved without winding up.

### **PART C**

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

#### **16. COMBINATION OF AUTHORISED SHARE CAPITAL AND AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION**

16.1 The authorised share capital of Saldhar aggregating to Rs 45,00,000 divided into 4,46,000 equity shares of Rs 10/- each and 400 Non-Cumulative Redeemable Preference Shares of Rs. 100/- each shall stand transferred to and combined with the authorised share capital of Apcotex and shall be re-classified without any further act or deed. The filing fees and stamp duty already paid by Saldhar on its authorised share capital shall be deemed to have been so paid by Apcotex on the combined authorised share capital and accordingly Apcotex shall not be required to pay any fees/stamp duty on the authorised share capital so increased.

16.2 Pursuant to the Scheme, the authorised share capital of Apcotex will be as under:

<b>Particulars</b>	<b>Amount (in Rs.)</b>
<b>Authorised Capital</b>	
6,31,60,000 Equity Shares of Rs 5/- each	31,58,00,000
500 Preference Shares of Rs 100/- each	50,000
50,000 Unclassified Shares of Rs 5/- each	250,000
<b>Total</b>	<b>31,61,00,000</b>

16.3 Clause V of the Memorandum of Association of Apcotex shall be substituted by the following clause:

*"The Authorised Share Capital of the Company is Rs 31,61,00,000 (Rupees Thirty One Crore and Sixty One Lakhs Only) divided into 6,31,60,000 (Six Crore Thirty One Lakhs and Sixty Thousand) Equity Shares of Rs 5/- (Rupees Five Only) each and 500 (Five Hundred) Preference Shares of Rs 100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs 5/- (Rupees Five) each."*

16.4 Clause 2(a) of the Articles of Association of Apcotex be substituted by the following clause:

*"The Authorised Share Capital of the Company is Rs 31,61,00,000 (Rupees Thirty One Crore and Sixty One Lakhs Only) divided into 6,31,60,000 (Six Crore Thirty One Lakhs and Sixty Thousand) Equity Shares of Rs 5/- (Rupees Five Only) each and 500 (Five Hundred) Preference Shares of Rs 100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs 5/- (Rupees Five) each."*

16.5 Apcotex shall file the requisite documents/information with the Registrar of Companies or any other Applicable Authority for such increase of the authorised share capital and amendment of its Memorandum of Association and Articles of Association.

16.6 It is further clarified that combination of authorised share capital shall become operative on the scheme becoming effective and the approval of the members of Apcotex to the Scheme shall be deemed to be their consent/approval for the consolidation and increase of authorized share capital, amendment to the capital clause of the Memorandum of Association, under the provisions of Sections 13, 14 and 61 of the Act and other applicable provisions of the Act.

#### **17. DIVIDENDS/ACQUISITION OF ADDITIONAL SHARES OF APCOTEX**

17.1 Apcotex shall be entitled to declare and pay dividends, whether interim and/or final, to its members, including Saldhar, in respect of the accounting period prior to Scheme becoming effective.

17.2 Until the Scheme becomes effective, Saldhar may utilize its income/available cash, if any, (a) for declaration or payment of dividend, whether interim or final, to its shareholders; (b) for further acquisition of equity shares of Apcotex, including by way of purchase on floor of Stock Exchange; and/or (c) meeting its expenses in the ordinary course of business or for the purposes specified in the Scheme.

17.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Apcotex/Saldhar to demand or claim dividend which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of Apcotex and Saldhar.

17.4 It is clarified that upon amalgamation of Saldhar with Apcotex in terms of this Scheme, Apcotex will issue and allot such additional number of New Equity Shares of Apcotex to the equity shareholders of Saldhar as on the Record Date in accordance with Clause 9 of the Scheme, in lieu of additional equity shares of Apcotex (if any) acquired by Saldhar in accordance with Clause 17.2 of the Scheme. Further, such additional shares of Apcotex (if any) acquired by Saldhar in accordance with Clause 17.2 of the Scheme, shall also stand cancelled in accordance with Clause 11 of the Scheme upon amalgamation of Saldhar with Apcotex and issuance of New Equity Shares by Apcotex to the equity shareholders of Saldhar on the Scheme becoming effective.

#### **18. APPLICATION**

18.1 Saldhar and Apcotex shall make necessary applications before the Tribunal for the sanction of this Scheme under Sections 230 to 232 of the Act and other applicable provisions of the Act, and for seeking orders for dispensing with or convening, holding and/or conducting of the meetings of respective shareholders/creditors and for sanctioning of this Scheme.

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

19.1 Saldhar and Apcotex by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the Tribunal and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors).

19.2 The term 'any other authority' referred to in Clause 19.1 above, shall specifically include the Stock Exchanges with which the shares of Apcotex are listed and with which Apcotex shall file a copy of the Scheme under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 or any other Government authority.

19.3 No modification or amendment to the Scheme will be carried out or effected by the Board without approaching the Tribunal.

19.4 Saldhar and Apcotex by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, 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.

19.5 Saldhar and Apcotex in their full and absolute discretion, may modify, vary or withdraw this Scheme prior to the Scheme becoming effective in any manner at any time.

#### **20. CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

20.1 The Scheme being approved by the requisite majorities of the members and/or creditors if required of Saldhar and Apcotex, as prescribed under the Act and as may be directed by the Tribunal or any other appropriate authority as may be applicable;

20.2 Apcotex complying with other provisions of the SEBI circular, including seeking approval of its shareholders through e-voting. The Scheme shall be acted upon only if the number of votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it, in accordance with the aforesaid SEBI circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;

20.3 The requisite sanctions and approvals of any Government authority including Stock Exchanges and SEBI, as may be required by law, in respect of the Scheme being obtained;

20.4 The sanction of this Scheme by the Tribunal under Sections 230 to 232 of the Act, and other applicable provisions, if any of the Act in favour of Saldhar and Apcotex; and

20.5 Certified or authenticated copy of the Order of the Tribunal sanctioning the Scheme being filed with the Registrar of Companies, Mumbai, by Saldhar and Apcotex respectively.

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

21.1 In the event of any of the said sanctions and approvals referred to in the Clause 20 not being obtained or for any other reason, the Scheme cannot be implemented on or before December 31, 2018 or within such further period(s) that the Boards of Saldhar and Apcotex may mutually agree upon (and which the Board of Directors of Saldhar and Apcotex are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), or Saldhar and Apcotex withdraw from this Scheme pursuant to Clause 19 above, the Scheme shall become null and void and in such event no rights or liabilities whatsoever shall accrue to or be incurred by Saldhar and Apcotex or their shareholders or creditors or employees or any other person.

## **22. INDEMNITY BY SHAREHOLDERS OF SALDHAR**

22.1 The shareholders of Saldhar shall indemnify and hold harmless Apcotex and its directors, officers, representatives, employees and agents (collectively the "Indemnified Persons") for losses, liabilities, costs, charges, expenses whether or not resulting from third party claims, including those paid or suffered pursuant to any actions, proceedings, claims and including interest and penalties discharged by the Indemnified Persons, which may devolve on the Indemnified Persons on account of amalgamation of Saldhar into Apcotex but would not have been payable by such Indemnified Persons otherwise, in the form and manner as may be agreed amongst Apcotex and shareholders of Saldhar.

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

23.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by Saldhar and / or its shareholders.

## **24. DIFFERENCES**

24.1 In case any doubt or difference or issue (in relation to the Scheme) arises between Saldhar and Apcotex, any of their shareholders, creditors, employees or persons, entitled to or claiming any right to any New Equity Shares in Apcotex or as to the interpretation of any terms of the Scheme or implementation of the Scheme after the Scheme becomes effective, then the Board of Directors of Apcotex shall resolve all such disputes and its decision shall be final and binding on all concerned.

## Annexure - 2

### SSPA & CO.

Chartered Accountants

1st Floor, "Arjun", Plot No. 6 A,  
V. P. Road, Andheri (W),  
Mumbai - 400 058. INDIA.

Tel. : 91 (22) 2670 4376 / 77

91 (22) 2670 3682

Fax : 91 (22) 2670 3916

Website : www.sspa.in

### STRICTLY PRIVATE & CONFIDENTIAL

Date: March 30, 2017

The Board of Directors  
Apcotex Industries Limited  
Plot No. 3/1, MIDC Industrial Area,  
Taloja, Post Box No. 13,  
Raigad – 410 208  
Maharashtra

The Board of Directors  
Saldhar Investments and Trading Company  
Private Limited  
NKM International, Hsg 17,  
Backbay Reclamation, B C Marg,  
Mumbai – 400 020

**Re: Proposed amalgamation of Saldhar Investments and Trading Company Private Limited into Apcotex Industries Limited**

Dear Sirs,

We have been requested by the management of Apcotex Industries Limited (hereinafter referred to as "Apcotex") and Saldhar Investments and Trading Company Private Limited (hereinafter referred to as "Saldhar"), (collectively referred to as "Companies") to issue a report containing recommendation of fair equity share exchange ratio for the proposed amalgamation of Saldhar into Apcotex.

#### 1. SCOPE AND PURPOSE OF THIS REPORT

1.1. We have been given to understand that in order to *inter alia* simplify the shareholding structure of Apcotex, reduce shareholding tiers for the promoters of Apcotex, it is proposed that Saldhar will amalgamate into Apcotex in accordance with the provisions of Sections 230 to 232 and other applicable provisions of Companies Act 2013 (hereinafter referred to as "Scheme of Amalgamation"). Subject to necessary approvals, Saldhar would be merged with Apcotex, with effect from appointed date of March 31,





2017 or such other date as may be approved by National Company Law Tribunal ('NCLT').

- 1.2. In this regard, we have been requested to issue a report containing recommendation of fair equity share exchange ratio for the proposed amalgamation of Saldhar into Apcotex.

## **2. BRIEF BACKGROUND OF COMPANIES**

### **2.1. APCOTEX INDUSTRIES LIMITED**

2.1.1. Apcotex was established in the year 1980 as a division of Asian Paints (India) Ltd., the largest paint manufacturer in India. Apcotex spun-off as a separate company in 1991 and is headed by Mr. Atul Choksey, Chairman of Apcotex and former Managing Director of Asian Paints. Apcotex is one of the leading producers of Performance Emulsion Polymers in India.

2.1.2. The product range of Apcotex includes VP latex, Carboxylated and Non-Carboxylated SB latexes, Acrylic latexes, Nitrile latex and Synthetic Rubber. The range of Latexes is used, among other applications, for Tyre Cord Dipping, Paper/Board Coating, Carpet Backing, Construction (Concrete Modification, Water Proofing, etc.), Paints, Textile Finishing and Automotive Components. Apcotex's High Styrene Synthetic Rubber finds applications in footwear, automotive components, v-belts, conveyer belts and hoses.

2.1.3. The equity shares of Apcotex are listed on BSE Limited and The National Stock Exchange of India Limited.

### **2.2. SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED**

2.2.1. Saldhar was incorporated on November 12, 1979. The company is involved in the business of Investments in shares and securities. As informed by management, Saldhar currently holds 1,05,98,300 representing 51.1% equity shares of Apcotex.

## **3. SOURCES OF INFORMATION**

For the purposes of this exercise, we have relied upon the following sources of information:

- (a) Annual Report of Saldhar for the financial year (FY) 2015-16.



- (b) Projected balance sheet of Saldhar as on March 31, 2017 as provided by the management of Saldhar.
- (c) Such other information and explanations as we required and which have been provided by the management of Apcotex and Saldhar.

#### **4. LIMITATIONS**

- 4.1. Our recommendation is dependent upon the information furnished to us being complete in all material respects.
- 4.2. This report has been prepared for the Board of Directors of Apcotex and Saldhar solely for the purpose of recommending a fair equity share exchange ratio for the proposed amalgamation of Saldhar into Apcotex.
- 4.3. The information contained herein and our report is absolutely confidential. It is intended only for the sole use and information of the Companies, and only in connection with the proposed Amalgamation as aforesaid including for the purpose of obtaining requisite approvals. It is to be noted that any reproduction, copying or otherwise quoting of this report or any part thereof, other than in connection with the proposed Amalgamation as aforesaid, can be done only with our prior permission in writing.

#### **5. BASIS FOR DETERMINATION OF RATIO**

- 5.1 We have been informed by the management of Saldhar that they currently hold 1,05,98,300 equity shares in Apcotex. Upon Amalgamation of Saldhar into Apcotex, the shareholders of Saldhar would be entitled to the same number of shares of Apcotex which they own on the effective date of the proposed amalgamation indirectly through their holding in Saldhar. Pursuant to the amalgamation, there would be no change in the paid-up capital of Apcotex.
- 5.2 The cash balance prior to effective date will be utilised to meet the costs, fees and expenses including stamp duties payable on issue of new shares in relation to the proposed amalgamation.



**6. RECOMMENDED RATIO**

6.1. Based on above, we recommend a fair equity share exchange ratio as follows:

**1,05,98,300 fully paid-up equity shares (face value of INR 5 each) of Apcotex to be issued and allotted to shareholders of Saldhar in the proportion of the number of equity shares held by the shareholders in Saldhar in the event of Amalgamation of Saldhar into Apcotex.**

6.2. We believe that the above ratio is fair and equitable considering that all the shareholders of Saldhar are and will, upon amalgamation, remain ultimate beneficial owners of Apcotex in the same ratio (inter-se) as they hold shares prior to the amalgamation and that the interest of other shareholders in Apcotex remains unaffected.

Thanking you,  
Yours faithfully,

*SSPA & Co.*



**SSPA & CO.**  
**Chartered Accountants**  
Firm registration number: 128851W

Signed by **Parag Ved, Partner**  
Membership No. 102432

Place: Mumbai

## Annexure - 3



March 30, 2017

### The Board of Directors

**Saldhar Investments And Trading Company Private Limited**

N K Mehta International House  
178 Backbay Reclamation  
Babubhai M Chinai Marg  
Mumbai 400020 Maharashtra

### The Board of Directors

**Apcotex Industries Limited**

Plot No.3/1, MIDC Industrial Area,  
P.O. Taloja,  
Dist. Raigad 410 208,  
Maharashtra

Dear Sirs,

**Re: Fairness Opinion Report on the Valuation Report issued by M/s. SSPA & CO, Chartered Accountant, in connection with the proposed amalgamation of Saldhar Investments and Trading Company Private Limited with Apcotex Industries Limited pursuant to Scheme of Amalgamation of Saldhar Investments and Trading Company Private Limited with Apcotex Industries Limited and their Respective Shareholders (the "Scheme").**

### 1. BACKGROUND

- 1.1. Pantomath Capital Advisors Private Limited ("Pantomath" or "we" or "us") is a Category I Merchant Banker registered with the Securities Exchange Board of India ("SEBI"). Pursuant to Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (earlier SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015) we have been requested to issue a fairness opinion on Valuation Report issued by M/s. SSPA & Co, Chartered Accountant, for the recommendation of Share Exchange Ratio for the proposed amalgamation of Saldhar Investments And Trading Company Private Limited ("Saldhar" or "Transferor Company") with Apcotex Industries Limited ("Apcotex" or "Transferee Company").
- 1.2. M/s. Saldhar Investments And Trading Company Private Limited (hereinafter referred to as "Saldhar" or "Transferor Company") was incorporated on 12<sup>th</sup> Nov 1979 under the provisions of Companies Act, 1956, having its registered office in Mumbai, Maharashtra. Saldhar is registered as a Non-Banking Financial Company ('NBFC') with the Reserve Bank of India. Saldhar does not accept any public deposits and is mainly engaged in the business of investments in mutual funds and quoted securities.
- 1.3. M/s. Apcotex Industries Limited (hereinafter referred to as "Apcotex" or "Transferee Company") was incorporated on 12<sup>th</sup> March 1986 under the provisions of Companies Act, 1956, having its

Progress with Values...

**Pantomath Capital Advisors Private Limited (SEBI Registered Category-I Merchant Bankers)**

Regd. Office: 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai – 400051

Email: info@pantomathgroup.com

Website: www.pantomathgroup.com | CIN: U74120MH2013PTC248061 | Tel:022-6194 6700/724 | Fax:022-26598690

Track SME capital market watch at www.smeipo.net



registered office in Raigad, Maharashtra. The equity shares of Apcotex are currently listed on BSE Limited and National Stock Exchange Limited. Apcotex is one of the leading producers of performance emulsion polymers in India.

- 1.4. The management of Apcotex and Saldhar are considering the amalgamation of Saldhar with Apcotex, with effect from the Appointed Date i.e. March 31, 2017 for the rationale as provided in the Draft Scheme of Amalgamation.
- 1.5. The above scheme of amalgamation is proposed under section 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

## **2. SOURCE OF INFORMATION**

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information:

- 2.1. Valuation Report issued by M/s. SSPA & Co, Chartered Accountant dated March 30, 2017.
- 2.2. Draft Scheme of Amalgamation of Saldhar with Apcotex under section 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013;
- 2.3. Audited financial statements of Apcotex for the year ended March 31, 2016;
- 2.4. Audited financial statements of Saldhar for the year ended March 31, 2016;
- 2.5. Projected balance sheet of Saldhar as on March 31, 2017 as provided by the management of Saldhar;
- 2.6. Latest shareholding patterns of Saldhar and Apcotex (Pre Amalgamation);
- 2.7. Memorandum of Association and Articles of Association of Saldhar and Apcotex; and
- 2.8. Other relevant information and documents for the purpose of this engagement.

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our analysis.

## **3. VALUER'S RECOMMENDATION**

As stated in the valuation report, Saldhar currently hold 1,05,98,300 equity shares in Apcotex. Upon Amalgamation of Saldhar into Apcotex, the shareholders of Saldhar would be entitled to the same number of shares of Apcotex which they own on the effective date of the proposed amalgamation indirectly through their holding in Saldhar. Pursuant to the amalgamation, there would be no change in the paid-up capital of Apcotex.



Valuer has recommended a equity share exchange ratio as follows:

1,05,98,300 fully paid-up equity shares (face value of INR 5 each) of Apcotex to be issued and allotted to shareholders of Saldhar in the proportion of the number of equity shares held by the shareholders in Saldhar.

#### **4. RATIONALE AND CONCLUSION**

In the circumstances, having regard to the relevant factors and on the basis of information and explanations given to us, in our view, the proposed Share Exchange Ratio as recommended by M/s. SSPA & Co, Chartered Accountant, which forms the basis for the proposed amalgamation, appears to be fair and reasonable.

#### **5. EXCLUSIONS AND LIMITATIONS**

- 5.1. We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by Saldhar and Apcotex for the purpose of this opinion without carrying out any audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of Saldhar and Apcotex.
- 5.2. We have solely relied upon the information provided to us by Saldhar and Apcotex. We have not reviewed any books or records of Saldhar and Apcotex.
- 5.3. We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of Saldhar and Apcotex and neither express any opinion with respect thereto nor accept any responsibility therefor.
- 5.4. We have not made any independent valuation or appraisal of the assets or liabilities of Saldhar and Apcotex. In particular we do not express any opinion as to the value of assets of Saldhar and Apcotex, whether at current market prices or in future.
- 5.5. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by Saldhar and Apcotex for the purpose of this opinion.



- 5.6. We are not experts in the evaluation of litigation or other actual or threatened claims and hence have not commented on the effect of such litigation or claims on the valuation. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of Saldhar and Apcotex with respect to these matters. In addition, we have assumed that the Draft Scheme of Amalgamation will be approved by the regulatory authorities and that the proposed transaction will be consummated substantially in accordance with the terms set forth in the Draft Scheme of Amalgamation.
- 5.7. We understand that the managements of Saldhar and Apcotex during our discussion with them would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion.
- 5.8. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving Saldhar and Apcotex or any of its assets, nor did we negotiate with any other party in this regard.
- 5.9. It is understood that this letter is solely for the benefit of confidential use by the Board of Directors of Saldhar and Apcotex for the purpose of facilitating companies to comply with Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (earlier Circular CIR/CID/CMD/16/2015 dated November 30, 2015) issued by SEBI and it shall not be valid for any other purpose. The letter is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.
- 5.10. The fee for our service is not contingent upon the results of the proposed amalgamation. This opinion is subject to the laws of India



5.11. Valuation, as it is said, is an art as well as a science. It is very subjective and based on individual perception. Large number of valuation models and its countless variants are in vogue, each of which has its own strength and weakness. Such practices lead to varying values arrived at by experts which, at times, may differ by larger margin. We express no opinion whatever and make no recommendation at all as to Saldhar's and Apcotex's underlying decision to effect to the proposed Amalgamation or as to how the holders of equity shares or secured or unsecured creditors of Saldhar and Apcotex should vote at their respective meetings held in connection with the proposed Amalgamation. We do not express and should not be deemed to have expressed any amalgamation views on any other terms of the proposed Amalgamation. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of Apcotex will trade following the announcement of the proposed Amalgamation or as to the financial performance of Saldhar and Apcotex following the completion of the proposed Amalgamation.

5.12. In no circumstances however, will Pantomath or its associates, directors or employees accept any responsibility or liability to any third party and in the unforeseen event of any such responsibility or liability being imposed on Pantomath or its associates, directors or employees by any third party, Saldhar and Apcotex and their affiliates shall indemnify them.

For Pantomath Capital Advisors Private Limited



**Madhu Lunawat**  
**Executive Director**



DCS/AMAL/ACIR37/906/2017-18

September 01, 2017

The Company Secretary  
**APCOTEX INDUSTRIES LTD**  
 Plot No. 3 / 1, MIDC Industrial Area,  
 Talaja, Post Box No. 13 ,Raigad,  
 Maharashtra ,410208.

Sir,

**Sub: Observation letter regarding the Draft Scheme of Arrangement involving amalgamation Saldhar Investments and Trading Company Private Limited with Apcotex Industries Limited.**

We are in receipt of Draft Scheme of Arrangement involving amalgamation Saldhar Investments and Trading Company Private Limited with Apcotex Industries Limited and their respective shareholders and creditors filed as required under SEBI Circular No: CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated September 01, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- "It is noted that SEBI has initiated adjudication proceedings against Abhiraj Trading and Investments Private Limited in the matter of Sunshield Chemicals Limited."
- "Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company shall ensure that applicable information pertaining to unlisted entity, Saldhar is included in the format specified for abridged prospectus as specified in the circular."
- "Company shall duly comply with various provisions of the Circulars."
- "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 is 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.

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. Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed;
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

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.

Yours faithfully,

  
**Nitin Pujari**  
**Sr. Manager**

## Annexure - 5



Ref: NSE/LIST/11573

September 04, 2017

The Company Secretary  
Apcotex Industries Limited  
Plot No. 3/1  
MIDC Talaja Industrial Area  
P.O Talaja Dist  
Raigad - 410208

**Kind Attn: Mr. Anand Kumashi**

Dear Sir,

**Sub: Observation letter for Scheme of Amalgamation between Saldhar Investments and Trading Company Private Limited (Transferor Company) and Apcotex Industries Limited (Transferee Company) and their respective shareholders.**

This has reference to Scheme of Amalgamation between Saldhar Investments and Trading Company Private Limited and Apcotex Industries Limited and their respective shareholders submitted to NSE on May 25, 2017.

Based on our letter reference no Ref: NSE/LIST/14057 submitted to SEBI and pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, SEBI has vide letter dated September 01, 2017, has given following comments on the draft Scheme of Arrangement:

- 1. It is noted that SEBI has initiated adjudication proceedings against Abhiraj Trading and Investments Private Limited in the matter of Sunshield Chemicals Limited.*
- 2. Company to ensure that additional information, if any, submitted after filing the scheme with the Stock Exchanges, shall be displayed from the date of receipt of this letter on the website of the listed company.*
- 3. Company to ensure that applicable information pertaining to unlisted entity, Saldhar is included in the format specified for abridged prospectus as specified in the circular.*
- 4. Company shall duly comply with various provisions of the circulars.*
- 5. 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 is obliged to bring the observations to the notice of NCLT.*
- 6. 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.*

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

1.

**Regd. Office:** Exchange Plaza, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051, India  
CIN: U67120MH1992PLC069769 Tel: +91 22 26598235/36, 26598346, 26598459/26598458 Web site: [www.nseindia.com](http://www.nseindia.com)



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 Agreement, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from September 04, 2017, within which the Scheme shall be submitted to the NCLT. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by NCLT, you shall submit to NSE the following:

- a) Copy of Scheme as approved by the NCLT;
- b) Result of voting by shareholders for approving the Scheme;
- c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme,
- d) Status of compliance with the Observation Letter/s of the stock exchanges.
- e) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f) Complaints Report as per SEBI Circular No.CFD/DIL3/CIR/2017/21 dated March 10, 2017.

Yours faithfully,  
For National Stock Exchange of India Limited

Divya Poojari  
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL [http://www.nseindia.com/corporates/content/further\\_issues.htm](http://www.nseindia.com/corporates/content/further_issues.htm)



## Annexure - 6



21<sup>st</sup> July 2017

The Manager  
Listing Department  
BSE Limited  
P J Towers,  
Dalal Street, Fort,  
Mumbai 400 001

BSE Scrip Code: 523694

Dear Sirs,

**Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation between Apcotex Industries Limited (“Amalgamated Company” or “Transferee Company”) and its holding company Saldhar Investments and Trading Company Private Limited (“Amalgamating Company” or “Transferor Company” or “Saldhar”)**

This is in continuation to our above said application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (“Circular”) and subsequent information/document sought by you from time to time.

In terms of the provisions of the above said Circular and as mentioned in our application dated 25<sup>th</sup> May 2017 we hereby submit the Report on Complaints stating details of complaints/comments on the Scheme of Amalgamation (annexed hereto as Annexure I)

The soft copy of the Report on Complaints has been separately sent to you by e-mail. We have also uploaded the Report on Complaints on our website under the link <http://www.apcotex.com/aasaldhar.asp>

We request you to take the above on record and oblige. If you require any further clarifications/information, we would be happy to provide the same.

Thanking you,  
Yours sincerely,

FOR APCOTEX INDUSTRIES LIMITED

  
Anand Kumashi  
Company Secretary

Encl: As above

**apcotex industries limited**

REGD. OFFICE & TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Taloja-410 208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052

CORPORATE OFFICE : NKM International House, 178, Backbay Recl., B. M. Chinai Marg, Mumbai-400 020, Maharashtra, India. Tel:+91-22-22838302/04.

CIN NO. L99999MH1986PLC039199

Website:www.apcotex.com



## Report on Complaints

## ANNEXURE I

### 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	NA
5	Number of complaints pending	NA

### Part B

Sr. No.	Name of complainant	Date of Complaint	Status (Resolved/Pending)
1	NA	NA	NA
2	NA	NA	NA
3	NA	NA	NA

FOR APCOTEX INDUSTRIES LIMITED

  
Anand Kumashi  
Company Secretary

## apcotex industries limited

REGD. OFFICE & TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Talaja-410 208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052

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CIN NO. L99999MH1986PLC039199

Website:www.apcotex.com



21<sup>st</sup> July 2017

To,  
Manager – Listing Compliance  
The National Stock Exchange of India Ltd  
Exchange Plaza  
Plot No. C/1, G Block  
Bandra Kurla Complex  
Bandra East  
Mumbai - 400051

Symbol: APCOTEXIND

Dear Sirs,

**Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed Scheme of Amalgamation between Apcotex Industries Limited (“Amalgamated Company” or “Transferee Company”) and its holding company Saldhar Investments and Trading Company Private Limited (“Amalgamating Company” or “Transferor Company” or “Saldhar”)**

This is in continuation to our above said application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (“Circular”) and subsequent information/document sought by you from time to time.

In terms of the provisions of the above said Circular and as mentioned in our application dated 25<sup>th</sup> May 2017 we hereby submit the Report on Complaints stating details of complaints/comments on the Scheme of Amalgamation (annexed hereto as Annexure I)

The soft copy of the Report on Complaints has been separately sent to you by e-mail. We have also uploaded the Report on Complaints on our website under the link <http://www.apcotex.com/aasaldhar.asp>

We request you to take the above on record and oblige. If you require any further clarifications/information, we would be happy to provide the same.

Thanking you,  
Yours sincerely,

FOR APCOTEX INDUSTRIES LIMITED

  
Anand Kumashi  
Company Secretary

Encl: As above

## apcotex industries limited

REGD. OFFICE & TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Taloja-410 208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052

CORPORATE OFFICE : NKM International House, 178, Backbay Recl., B. M. Chinai Marg, Mumbai-400 020, Maharashtra, India. Tel:+91-22-22838302/04.

CIN NO. L99999MH1986PLC039199

Website:www.apcotex.com



## ANNEXURE I

### Report on Complaints


#### Part A

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3	Total Number of complaints/comments received (1+2)	NIL
4	Number of complaints resolved	NA
5	Number of complaints pending	NA

#### Part B

Sr. No.	Name of complainant	Date of Complaint	Status (Resolved/Pending)
1	NA	NA	NA
2	NA	NA	NA
3	NA	NA	NA

FOR APCOTEX INDUSTRIES LIMITED

  
Ahand Kumashi  
Company Secretary

**apcotex industries limited**

REGD. OFFICE & TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Taloja-410 208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052

CORPORATE OFFICE : NKM International House, 178, Backbay Recl., B. M. Chinal Marg, Mumbai-400 020, Maharashtra, India. Tel:+91-22-22838302/04.

CIN NO. L99999MH1986PLC039199

Website:www.apcotex.com





## Annexure - 7



**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF APCOTEX INDUSTRIES LIMITED AT ITS MEETING HELD ON 31st DAY OF MARCH, 2017 AT MUMBAI EXPLAINING EFFECT OF THE SCHEME ON SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS.**

The proposed merger of Saldhar Investments And Trading Company Private Limited ('Saldhar') with Apcotex Industries Limited ('Apcotex') through a Scheme of Amalgamation ('the Scheme') was considered and approved by the Board of Directors

As per Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Directors explaining effect of compromise on shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the equity shareholders along with the notice convening the meeting.

Having regard to the aforesaid provisions, following was discussed by the Board of Directors:

1. Saldhar forms part of the Promoter Group of Apcotex. It presently holds 1,05,98,300 equity shares in Apcotex constituting 51.1% of the paid up equity share capital of Apcotex. Pursuant to the proposed amalgamation, individual promoters of Apcotex would directly hold shares in Apcotex in the same proportion as they hold through Saldhar on the Record Date (as defined in the Scheme). Saldhar will be dissolved without the process of winding up.
2. The amalgamation will result in the Promoter Group of Apcotex directly holding shares in Apcotex which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrates the Promoter Group's direct commitment to and engagement with Apcotex.
3. There would be no change in the Promoter shareholding of Apcotex. The Promoter would continue to hold the same percentage of shares in Apcotex, pre and post the amalgamation of Saldhar with Apcotex.
4. All costs and charges of any nature arising of or incurred in connection with and implementing this Scheme shall be borne by Saldhar and/ or its members. Further, the Scheme also provides that Promoters shall indemnify Apcotex and keep Apcotex indemnified for any contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party including Governmental Authorities on Apcotex and directly relatable to Saldhar or which may devolve on Apcotex on account of this amalgamation.

### apcotex industries limited

REGD. OFFICE & TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Taloja-410 208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052

CORPORATE OFFICE : NKM International House, 178, Backbay Recl., B. M. Chinai Marg, Mumbai-400 020, Maharashtra, India. Tel:+91-22-22838302/04. CIN NO. L99999MH1986PLC039199

Website:www.apcotex.com



5. There will be no adverse effect of the said Scheme on the equity shareholders (the only class of shareholders), key managerial personnel, promoter and non-promoter shareholders of the Company.
6. No change in the KMP of the Company is expected pursuant to the Scheme becoming effective.
7. The Scheme is not prejudicial to the interest of the shareholders as well as creditors of the Company.

**For Apcotex Industries Limited**

  
Mr. Abhiraj Atul Choksey  
Managing Director  
DIN: 00002120

## **apcotex industries limited**

REGD. OFFICE & TALOJA PLANT : Plot No. 3/1, MIDC Industrial Area, Taloja-410 208, Dist-Raigad, Maharashtra, India. Tel:+91-22-27403500 Fax:+91-22-27412052

CORPORATE OFFICE : NKM International House, 178, Backbay Recl., B. M. Chinal Marg, Mumbai-400 020, Maharashtra, India. Tel:+91-22-22838302/04.  
CIN NO. L99999MH1986PLC039199

Website: [www.apcotex.com](http://www.apcotex.com)

## Saldhar Investments and Trading Company Private Limited

NKM International House, 178 Backbay Reclamation, B C Marg, Mumbai 400 020.

Telephone (022) 22838302 / 22838304 Email: apmaniar@apcotex.com CIN: U67120MH1979PTC021881 Fax (022) 22838291

### REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED AT ITS MEETING HELD ON 31ST DAY OF MARCH, 2017 AT MUMBAI EXPLAINING EFFECT OF THE SCHEME ON SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS.

The proposed merger of Saldhar Investments And Trading Company Private Limited ('Saldhar') with Apcotex Industries Limited ('Apcotex') through a Scheme of Amalgamation ('the Scheme') was considered and approved by the Board of Directors

As per Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Directors explaining effect of compromise on shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the equity shareholders along with the notice convening the meeting.

Having regard to the aforesaid provisions, following was discussed by the Board of Directors:

1. Saldhar forms part of the Promoter Group of Apcotex. It presently holds 1,05,98,300 equity shares in Apcotex constituting 51.1% of the paid up equity share capital of Apcotex. Pursuant to the proposed amalgamation, individual promoters of Apcotex would directly hold shares in Apcotex in the same proportion as they hold through Saldhar on the Record Date (as defined in the Scheme). Saldhar will be dissolved without the process of winding up. The amalgamation will result in the Promoter Group of Apcotex (who are also shareholders of Saldhar) directly holding shares in Apcotex.
2. There will be no adverse effect of the said Scheme on the equity shareholders (the only class of shareholders), key managerial personnel, promoter and non-promoter shareholders of the Company.
3. The Scheme is not prejudicial to the interest of the Shareholders as well as the Creditors of the Company.



For Saldhar Investments and Trading Company Private Limited

*Atul Champaklal Choksey*  
Atul Champaklal Choksey

Director

DIN: 00002102

## Annexure - 9

**IN THE NATURE OF ABRIDGED PROSPECTUS – MEMORANDUM CONTAINING SALIENT FEATURES OF THE SCHEME OF AMALGAMATION BETWEEN SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED AND APCOTEX INDUSTRIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS (UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER (HEREINAFTER REFERRED TO AS THE “SCHEME”).**

This is an abridged prospectus prepared to comply with the requirements of Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. You are also encouraged to read the greater details available in the Scheme.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 10 (TEN) PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.**

This document is prepared to comply with the requirement of Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and in accordance with disclosures in Abridged Prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable. Apcotex Industries Limited (hereinafter referred to as the “Issuing Company” or the “Transferee Company”) is already listed on the BSE Limited and the National Stock Exchange of India Limited (hereinafter collectively referred to the “Stock Exchanges”). Pursuant to the Scheme, there is no issue of equity shares to the public at large, except to the existing shareholders of Saldhar Investments and Trading Company Private Limited (hereinafter referred to as the “Transferor Company”). The equity shares so issued would be listed on the Stock Exchanges under Regulation 19 of Securities Contracts (Regulation) Rules, 1957. Therefore, the requirements with respect to GID (General Information Document) is not applicable and this abridged prospectus be read accordingly.

You may also download this Abridged Prospectus along with the Scheme as approved by the Board of Directors of the Transferor Company and Transferee Company and the Audit Committee of the Transferee Company vide their resolution dated March 31, 2017 and March 31, 2017, respectively, and copy of the Swap Ratio Report issued by SSPA & Co., Chartered Accountants dated March 30, 2017 and Fairness Report issued by Pantomath Capital Advisors Private Limited dated March 30, 2017 from the websites of the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) where the equity shares issued pursuant to the Scheme are proposed to be listed and Lead Manager (“LM”) i.e. www.bseindia.com; www.nseindia.com; www.fedsec.in respectively. A copy of the Abridged Prospectus shall be submitted to Securities and Exchange Board of India (“SEBI”).

### **SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED**

**Registered and Corporate Office** – NKM International HSG, 178 Backbay Reclamation, B C Marg, Mumbai 400 020 Maharashtra, India | **Contact Person** – Atul Choksey, Promoter and Non-Executive Director; Saldhar Investments and Trading Company Private Limited / Anand Kumashi, Company Secretary & Compliance Officer; Apcotex Industries Limited | **Telephone** – 022 2283 8302 / 04 | **Fax** – Not Available | **Email** – [apmaniar@apcotex.com](mailto:apmaniar@apcotex.com) | **Website** – Not Available | **CIN** – U67120MH1979PTC021881

### **PROMOTERS OF THE COMPANY – ATUL CHOKSEY AND PARUL CHOKSEY**

### **OFFER DETAILS, LISTING AND PROCEDURE**

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED (HEREINAFTER REFERRED TO AS “SALDHAR” OR THE “TRANSFEROR” COMPANY) FORMS PART OF THE PROMOTER GROUP OF APCOTEX INDUSTRIES LIMITED (HEREINAFTER REFERRED TO AS



“APCOTEX” OR THE “ISSUING COMPANY” OR THE “TRANSFEREE COMPANY”). SALDHAR PRESENTLY HOLDS 1,05,98,300 EQUITY SHARES IN APCOTEX CONSTITUTING 51.11% OF PAID UP SHARE CAPITAL OF APCOTEX.

IT IS PROPOSED TO AMALGAMATE SALDHAR WITH APCOTEX PURSUANT TO THE SCHEME, AS A RESULT OF WHICH SHAREHOLDERS OF SALDHAR (WHO ARE ALSO THE PROMOTERS OF APCOTEX), SHALL DIRECTLY HOLD SHARES IN APCOTEX.

The details with respect to the meeting of the shareholders (including Postal Ballot and e-Voting) of the Issuing Company as convened in accordance with Sections 230 to 232 of the Companies Act, 2013, and e-Voting required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 where the Scheme would be placed before the shareholders will be published in two newspapers as may be directed by the Hon'ble National Company Law Tribunal (“NCLT”), Bench at Mumbai.

DETAILS ABOUT THE BASIS FOR THE SWAP OF SHARES IN ACCORDANCE WITH THE SCHEME AND THE SHARE SWAP RATIO REPORT AND FAIRNESS OPINION WILL BE AVAILABLE ON THE WEBSITES OF THE ISSUING COMPANY, BSE AND NSE.

#### PROCEDURE

The procedure with respect to Public Issue / Offer would not be applicable as this issue is only to the shareholders of the Transferor Company, pursuant to the Scheme without any cash consideration. Hence the procedure with respect to GID may be applicable only to the limited extent as specifically provided.

#### ELIGIBILITY

- In compliance with the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and in accordance with Abridged Prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable;
- The equity shares sought to be listed are proposed to be allotted by the listed issuer to the holders of securities of an unlisted entity pursuant to a Scheme of Amalgamation (Scheme) to be sanctioned by NCLT under Sections 230-232 of the Companies Act, 2013;
- The percentage of shareholding, of pre-scheme public shareholders, of the listed entity and the public shareholders and Qualified Institutional Buyers (QIBs) of the unlisted entity, in the post scheme shareholding pattern of the “Merged” company shall not be less than 25%;
- The transferee entity will not issue / reissue any shares, not covered under the Draft Scheme of Amalgamation;
- As on date of application, there are no outstanding warrants / instruments / agreements which gives right to any person to take the equity shares in the Transferee Company at any future date. If there are such instruments stipulated in the Scheme, the percentage referred above shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised; and
- The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity will be subject to lock-in for the remaining period, if any.



## INDICATIVE TIMELINE

This Abridged Prospectus is filed pursuant to the Scheme, and is not an offer to public at large. Given that the Scheme requires approval of various regulatory authorities including and primarily, the NCLT, the time frame cannot be established with certainty. However, in general, it may take 5 to 6 months after the shareholders' meeting.

## 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. Investors are advised to read the risk factors mentioned in this Abridged Prospectus carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the Issuing Company and this Offer, including the risks involved. The Equity Shares 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 contents of the Scheme or Abridged Prospectus. Specific attention of the investors is invited to the section "Risk Factors" at page 9 of this Abridged Prospectus. – Not Applicable as the offer is not for public at large

### Price information of Lead Manager

Issue Name	Name of Merchant Banker	+/- % change in closing price, [+/- % change in closing benchmark]		
		30 <sup>th</sup> Calendar day from listing	90 <sup>th</sup> Calendar day from listing	180 <sup>th</sup> Calendar day from listing
<b>Not Applicable</b>				
Since the proposed issue is not to public shareholders but to the shareholders of the Transferor Company pursuant to Scheme of Amalgamation between the Transferor Company and the Transferee Company				

<b>Lead Manager – Fedex Securities Limited</b>  Tel: 022 2613 6460   Fax: 022 2618 6966   Website: <a href="http://www.fedsec.in">www.fedsec.in</a>   Contact Person: Rinkesh Saraiya   Email: <a href="mailto:mb@fedsec.in">mb@fedsec.in</a>   Address: 305, Enterprise Centre, Nehru Road, Vile Parle (East), Mumbai 400099	<b>Statutory Auditors – Ravi A. Shah &amp; Associates, Chartered Accountants</b> Address: 10, Shriniket Apts, 23, Bajaj Road, Vile Parle West, Mumbai 400056   Tel: 022 2613 5613, 098190 63558   Fax: Not Available   Registration No.: FRN 125079W
<b>Syndicate Members – Not Applicable</b> <b>Credit Rating Agencies – Not Applicable</b> <b>Debenture Trustee – Not Applicable</b> <b>Self-Certified Syndicated Banks – Not Applicable</b>	<b>Registrar – Not Applicable</b> <b>Non-Syndicate Registered Brokers – Not Applicable</b> <b>Collection Bankers – Not Applicable</b>

## PROMOTERS OF SALDHAR

**Atul Choksey**, aged 65 years, is a Promoter & Non – Executive Director of Saldhar. He is a resident Indian national. He holds a bachelor degree in Chemical Engineering from Illinois Institute of Technology, Chicago, United States of America. He has been a Director of Saldhar since 2011 and has over 33 years of working experience.



**Parul Choksey**, aged 61 years, is a Promoter, Chairperson and Director of Saldhar. She is a resident Indian national. She has done her Bachelor of Arts in Psychology and History. She has been a Director of Saldhar since 1991 and has over 26 years of working experience.

**Name of the top 5 (five) largest Listed Group Companies:** (1) Apcotex Industries Limited

## BUSINESS OVERVIEW / STRENGTH AND STRATEGY

### Overview

Saldhar Investments and Trading Company Private Limited ('Saldhar') is a Private Limited company incorporated under the provisions of Companies Act, 1956 in the year 1979. Late Champaklal Choksey, Amit Choksey and Girish Choksey were the initial subscribers to the Memorandum and Articles of Association. Saldhar is registered as Non-Banking Financial Company ('NBFC') with the Reserve Bank of India ('RBI') and holds a valid Certificate of Registration ('CoR') vide No. 13.00197 dated 3<sup>rd</sup> March, 1998. Currently, the authorized share capital of Saldhar is Rs. 45,00,000 divided in to 4,46,000 equity shares of Rs. 10 each and 400 Non – cumulative Redeemable Preference shares of Rs. 100 each. At the time of incorporation, the registered office of Saldhar was situated at 111, Industrial Area, Sion, Mumbai 400 022. Subsequently, the registered office of Saldhar was changed to NKM International HSG, 178 Backbay Reclamation, B C Marg, Mumbai 400 020 Maharashtra, India on 28<sup>th</sup> April, 1988. Saldhar does not accept any public deposits and is mainly engaged in the business of investments in mutual funds and securities. In the year 2016, the companies Trivikram Investments and Trading Company Limited, Dhumraketu Investments and Trading Company Private Limited and Titan Trading and Agencies Limited were merged with Saldhar vide order dated August 12, 2016 of the Honb'le High Court of Bombay.

### Our Competitive Strengths

- Strong track record and financial stability
- Qualified and Experienced Promoters
- No Debt and sustainable Balance Sheet situation

### Our Strategies

- Diversified portfolio
- Investment holding for Group Companies
- Flexible and Scalable business model

## BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience including current / past position held in other firms
1.	Atul Choksey	Promoter & Non-Executive Director	For details, please refer to "Promoters of Saldhar" on page 3 of this Abridged Prospectus.
2.	Parul Choksey	Promoter, Chairperson & Director	For details, please refer to "Promoters of Saldhar" on page 4 of this Abridged Prospectus
3.	Abhiraj Choksey	Executive Director	Abhiraj Choksey, aged 39 years, has been a Director of Saldhar. He was appointed as an Executive Director on 05 <sup>th</sup> December, 2016. He has done his B.S. from Wharton University, USA in Finance, Management & OPIM. He is also Managing Director of Apcotex Industries Limited.
4.	Girish Choksey	Director	Girish Choksey, aged 74 years, has been a Director of Saldhar since 1988. He has over four decades of



			experience in managing the industry's dealing with various types of minerals and chemicals. He has been a past president of Mineral Merchants Association and Pesticides Formulators Association of India.
5.	Devanshi Jalan	Non-Executive Director	Devanshi Jalan, aged 34 years, has been a Director of Saldhar since 2011. She was appointed as an Additional Director of Saldhar on 07 <sup>th</sup> October, 2011 and was regularized on 15 <sup>th</sup> June, 2012. She has done BA in Psychology & Fine Art from University of Pennsylvania, USA. She has also done her MA in Clinical Psychology from SNDT, Mumbai. She has over 6 years of working experience.

Details of means of finance – Not Applicable

### OBJECTS

#### To amalgamate with a listed company

The object is to amalgamate Saldhar into Apcotex as a result of which, shareholders of Saldhar (who are also the promoters of Apcotex), shall directly hold shares in Apcotex.

The rationale for the amalgamation as provided for in the Scheme is that the amalgamation would lead to simplification of the shareholding structure, reduction of shareholding tiers that would demonstrate the promoter group's direct commitment to and engagement with Apcotex, and effective utilization of resources of both Saldhar and Apcotex, including pooling of financial resources of Saldhar and Apcotex, leading to more effective and centralized management of funds, greater economies of scale and reduction in administrative expenses, which are presently being multiplied being separate entities.

The equity shares of the Transferee Company are already listed on the Recognized Stock Exchanges. The Scheme provides for cancellation of 1,05,98,300 number of equity shares of the Transferee Company held by the Transferor Company and the consequent new issue of 1,05,98,300 number of equity shares to the shareholders of the Transferor Company. Such cancellation of shares would happen as an integral part of the Scheme. Accordingly, the proposed Scheme will not result in additional equity shares being issued by the Transferee Company and hence, the issued, subscribed and paid-up share capital of the Transferee Company pre and post amalgamation would be same.

Clause 9 of the Scheme further provides that in the event the Transferor Company holds more than 1,05,98,300 fully paid equity shares of Transferee Company on the record date, such additional number of equity shares of Transferee Company as may be held by Transferor Company in Transferee Company, shall also be issued and allotted to the equity shareholders of Transferor Company in proportion to their holding in Transferor Company

Accordingly, the number of equity shares issued by the Transferee Company pursuant to the Scheme can be higher than 1,05,98,300 equity shares of Rs. 5/- each fully paid-up. In such a case, such higher number of equity shares held by the Transferor Company in Transferee Company would also get cancelled as an integral part of the Scheme.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issues, if any, of the Company in the preceding 10 years – Not Applicable

Name of monitoring agency, if any: As the equity shares are issued pursuant to Scheme of Amalgamation under Sections 230 to 232 of the Companies Act, 2013 and the size of such issue being less than Rs. 5,000 million, the appointment of a monitoring agency is not required. Accordingly, no monitoring agency has been appointed in respect of the Offer.





Terms of Issuance of Convertible Security, if any – Not Applicable

**Shareholding Pattern of the Transferor Company as on the date of the Scheme is as follows:**

Sr. No.	Particulars	Pre-Offer No. of equity shares	% holding of Pre-Offer	Post-Offer No. of equity shares	% holding of Post-Offer
1.	Atul Champaklal Choksey	21,930	43.66	NIL	NIL
2.	Parul Atul Choksey	18,362	36.55	NIL	NIL
3.	Abhiraj Atul Choksey	7,974	15.87	NIL	NIL
4.	Abhiraj Atul Choksey HUF	4	0.01	NIL	NIL
5.	Devanshi Anant Veer Jalan	1,962	3.91	NIL	NIL
	<b>Total</b>	<b>50,232</b>	<b>100.00</b>	<b>NIL</b>	<b>NIL</b>

**Share Holding of the Transferee Company as on 31<sup>st</sup> March 2017 and the indicative Post Scheme Shareholding is as under:**

Sr. No.	Particulars	(Pre-Scheme) Pre-Offer No. of equity shares	% holding of Pre-Offer	(Post-Scheme) Post-Offer No. of equity shares	% holding of Post-Offer
<b>(A)</b>	<b>Promoter &amp; Promoter Group</b>				
1.	Atul Champaklal Choksey	71,398	0.34%	46,98,343	22.66%
2.	Parul Atul Choksey	72,770	0.35%	39,46,914	19.03%
3.	Abhiraj Atul Choksey	1,09,888	0.53%	17,92,298	8.64%
4.	Abhiraj Atul Choksey HUF	14,217	0.07%	15,061	0.07%
5.	Devanshi Anant Veer Jalan	1,47,353	0.71%	5,61,310	2.71%
6.	Rita Ashok Parekh	1,06,380	0.51%	1,06,380	0.51%
7.	Amit Champaklal Choksey	68,910	0.33%	68,910	0.33%
8.	Namrata Amit Choksey	57,076	0.28%	57,076	0.28%
9.	Ankita Amit Choksey	54,088	0.26%	54,088	0.26%
10.	Priti Amit Choksey	47,134	0.23%	47,134	0.23%
11.	Amit Champaklal Choksey HUF	41,140	0.20%	41,140	0.20%
12.	Biyash Abhiraj Choksey	36,000	0.17%	36,000	0.17%



Sr. No.	Particulars	(Pre-Scheme) Pre-Offer No. of equity shares	% holding of Pre-Offer	(Post-Scheme) Post-Offer No. of equity shares	% holding of Post-Offer
13.	Girish Champaklal Choksey	17,800	0.09%	17,800	0.09%
14.	Ankur Girish Choksey	13,600	0.07%	13,600	0.07%
15.	Prashant Girish Choksey	13,200	0.06%	13,200	0.06%
16.	Sunita Girish Choksey	9,200	0.04%	9,200	0.04%
17.	Devaki Ashok Parekh	6,400	0.03%	6,400	0.03%
18.	Janaki Ashok Parekh	4,800	0.02%	4,800	0.02%
19.	Saldhar Investments and Trading Company Private Limited	1,05,98,300	51.11%	0	0.00%
20.	Abhiraj Trading and Investment Private Limited	1,16,468	0.56%	1,16,468	0.56%
21.	Apco Enterprises Limited	1,12,352	0.54%	1,12,352	0.54%
22.	Bhuvantray Investments and Trading Company Private Limited	99,784	0.48%	99,784	0.48%
23.	Aquamarine Trading & Investments Private Limited	98,800	0.48%	98,800	0.48%
24.	Gauriputra Investments and Trading Company Private Limited	52,400	0.25%	52,400	0.25%
25.	HMP Minerals Private Limited	19,324	0.09%	19,324	0.09%
26.	Forest Hills Trading and Investment Private Limited	8,600	0.04%	8,600	0.04%
27.	Haridwar Trading and Investments Private Limited	8,600	0.04%	8,600	0.04%
28.	Colortek India Limited	1,650	0.01%	1,650	0.01%
29.	Choksey Chemicals Private Limited	276	0.00%	276	0.00%



Sr. No.	Particulars	(Pre-Scheme) Pre-Offer No. of equity shares	% holding of Pre- Offer	(Post-Scheme) Post-Offer No. of equity shares	% holding of Post- Offer
	<b>Total Promoter Shareholding</b>	<b>1,20,07,908</b>	<b>57.90%</b>	<b>1,20,07,908</b>	<b>57.90%</b>
<b>(B)</b>	<b>Non-promoter shareholding</b>				
	Public Shareholding	87,30,076	42.10%	87,30,076	42.10%
	<b>Total (A + B)</b>	<b>2,07,37,984</b>	<b>100.00%</b>	<b>2,07,37,984</b>	<b>100.00%</b>

### RESTATED AUDITED FINANCIALS

(in Rs. Lakhs unless stated otherwise)

Standalone	Nine Months ended December 31, 2016	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012
Revenue from operations (net)	2,833.73	62.59	42.84	38.60	43.46	36.26
Net Profit / (Loss) before tax and extraordinary items	2,813.56	61.71	42.20	38.21	42.67	35.57
Net Profit / (Loss) after tax and extraordinary items	2,263.47	28.61	42.08	37.21	39.94	35.57
Equity Share Capital	5.02	5.02	1.00	1.00	1.00	1.00
Reserves and Surplus	26,275.84	24,012.37	680.19	638.12	600.90	560.97
Net Worth	2,977.30	713.82	681.19	639.12	601.90	561.97
Basic Earnings Per Share (In Rs.)	4,506.04	142.64	420.78	372.09	399.36	355.74
Diluted Earnings Per Share (In Rs.)	4,506.04	142.64	420.78	372.09	399.36	355.74
Return on Net Worth (%)	76.02	4.01	6.18	5.82	6.63	6.33
Net Asset Value Per Share (In Rs.)	5,927.09	1421.05	6,811.90	6,391.12	6,019.02	5,619.66

#### Notes:

- The results of Financial Year ended 2016 and Nine months' period ended December 31, 2016 includes figures arising out of scheme of amalgamation between Titan Trading and Agencies Limited ("Titan"), Dhumraketu Investments and Trading Company Private Limited ("Dhumraketu") and Trivikram Investments and Trading Company Limited ("Trivikram") with Saldhar Investments and Trading Company Private Limited and hence figures are not comparable with the previous periods.



2. *During the financial year 2016, Titan and Dhumraketu and Trivikram were merged with the Transferor Company. Net Worth calculated above in Financial Year ended March 31, 2016 and Nine Months period ended on December 31, 2016 has been calculated after reducing Capital Reserve created on Amalgamation of Rs. 22,812.77 and Statutory Reserves of amalgamating companies of Rs. 490.80 lakhs aggregating to Rs. 23,303.57 lakhs. The Return on Net Worth and Net Asset Value per share is accordingly computed on the Net Worth so arrived at in two periods.*
3. *Liabilities, if any pursuant to amalgamation of Titan and Dhumraketu and Trivikram with Saldhar vide order dated August 12, 2016 of the Hon'ble High Court is duly captured in the audited financials of Saldhar.*
4. *The Transferee Company had become Subsidiary of the Transferor Company on November 23, 2016. However, the transferee Company will be ceased to be a Subsidiary Company on March 31, 2017, being the appointed date, upon merger of Transferor Company with Transferee Company.*

#### INTERNAL RISK FACTORS

1. Some of Saldhar's historical, legal and secretarial records are not traceable. Non-availability of these records exposes us to the risk of penalties that may be imposed by the competent regulatory authority in future
2. Saldhar do not own the Registered Office from which it operates. If the Registered Office is maintained post amalgamation, the Transferee Company would incur expense towards rent to related parties.
3. Saldhar is purely an investment Company hence, political instability or a change in economic liberalization and derogation policies could seriously harm business and economic conditions in India generally and our business in particular.
4. There are 2 (two) outstanding Income Tax proceedings involving Saldhar, which if determined against us, may have an adverse effect on our business.
5. Any downturns or disruptions in the financial markets could reduce transaction volumes, and could cause a decline in the business and impact our profitability.
6. As on December 31, 2016 the net asset of the Transferor Company excluding the value of the investments in Apcotex is Rs. 1,013.57 lakhs ('Net Assets'). Where these assets are liquidated to purchase additional equity shares of Apcotex on or before the Record Date the Net Assets received by Apcotex pursuant to amalgamation would be lower to that extent.
7. Clause 23 of the Scheme provides that the cost arising out of or incurred in carrying out and implementing this Scheme and any incidental matters would be borne by Saldhar and / or its shareholders. Where the expense is incurred by Saldhar, the net asset received by Apcotex on amalgamation would be lower to that extent.
8. In past, Saldhar has entered into related party transactions.

#### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

##### A. Total number of outstanding litigations against the company and amount involved –

Saldhar is involved in total 2 (two) tax related outstanding proceedings involving Income Tax as on date of the Abridged Prospectus. Total amount involved in all the proceedings, wherever quantifiable, is Rs. 55,880

##### B. Brief details of top 5 material outstanding litigations against the company and amount involved:



Sr. No	Particulars	Litigation filed by	Current Status	Amount Involved (in Rs)
1	<b><u>Income Tax Proceeding for AY 1999-00</u></b> The Assessing Authority issued a notice of demand dated March 21, 2003 for an amount outstanding of Rs. 55,669/-.	Income Tax Authority	The amount is outstanding and matter is currently pending	55,669/-
2	<b><u>Income Tax Proceeding for AY 2007-08</u></b> The Assessing Authority issued a notice of demand dated September 15, 2008 for an amount outstanding of Rs. 211/-.	Income Tax Authority	The amount is outstanding and matter is currently pending	211/-

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters / Group companies in last 5 financial years including outstanding action, if any: None

D. Brief details of outstanding criminal proceedings against Promoter: None

#### DECLARATION BY THE COMPANY

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in the Abridged Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in the Abridged Prospectus are true and correct.



# Annexure - 10

Apcotex Industries Limited  
Balance Sheet as at 30th June 2017

Particulars	Notes	Rs in Lacs
		As at 30th June, 2017
<b>I ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
a) Property, Plant and Equipment	2A	8,728.11
b) Capital Work in Progress	2B	353.30
c) Investment Properties	3	11.63
d) Intangible Assets	2C	57.38
e) Financial Assets:		
Investments	4	3,662.94
Other financial assets		-
f) Deferred Tax Assets	5	-
g) Other Non-Current Assets	6	3,175.69
		<b>15,989.05</b>
<b>CURRENT ASSETS</b>		
a) Inventories	7	3,400.79
b) Financial Assets:		
i) Investments	4	1,010.30
ii) Trade Receivables	8	9,592.55
iii) Cash and Cash Equivalents	9	677.72
iv) Other Bank Balances	10	-
v) Other financial asset		-
c) Current Tax Assets (net)		-
d) Other Current Assets	11	704.44
		<b>15,385.81</b>
<b>TOTAL ASSETS</b>		<b>31,374.85</b>
<b>II EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
a) Equity Share Capital	12A	1,040.80
b) Other Equity	12B	21,251.33
		<b>22,292.13</b>
<b>LIABILITIES</b>		
<b>OTHER NON CURRENT LIABILITIES</b>		
a) Financial Liabilities:		
i) Long Term Borrowings		-
ii) Other Financial Liabilities	13	318.98
b) Non Current Provisions	14	200.46
c) Deferred Tax Liabilities	5	305.98
d) Other Non Current Liabilities	15	-
		<b>825.42</b>
<b>CURRENT LIABILITIES</b>		
a) Financial Liabilities:		
i) Borrowings	16	2,228.74
ii) Trade Payables	17	
Due to Micro and Small Enterprise		59.09
Due to Others		3,522.44
iii) Other Current Financial Liabilities	18	1,284.40
b) Current Provisions	14	-
c) Other Current Liabilities	19	1,162.63
		<b>8,257.30</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>31,374.85</b>
Significant Accounting policies	1	
The accompanying notes 1 to 26 are an integral part of these financial statements		



Apcotex Industries Limited  
Statement of Profit and Loss Account for the period ended 30th June 2017

	Notes	Rs in Lacs For the Quarter ended 30th June 2017
<b>CONTINUING OPERATIONS</b>		
I	Revenue from Operations	20 13,214.11
II	Other Income	21 221.89
III	<b>Total Revenue (I + II)</b>	<b>13,436.00</b>
<b>IV EXPENSES</b>		
	a) Cost of Material Consumed	22A 8,360.02
	b) Changes in stock of finished goods, work-in-progress and stock in trade	22B 561.71
	c) Employee benefits expense	23 796.30
	d) Finance Costs	24 50.78
	e) Depreciation and amortisation expense	25 311.77
	f) Other expenses	26 2,639.17
	<b>Total Expenses (IV)</b>	<b>12,719.76</b>
V	Profit before Exceptional Items and Tax (III - IV)	716.24
VI	Exceptional Items	-
VII	<b>Profit after Exceptional Items and Tax (V - VI)</b>	<b>716.24</b>
<b>VIII Tax Expense</b>		
	a) Current Tax	228.00
	b) Deferred Tax	5 (35.28)
	c) Income Tax for Earlier Years	-
	d) MAT Expense	-
	<b>Total Tax (VIII)</b>	<b>192.72</b>
IX	Profit after Tax from Continuing Operations	523.52
X	Profit for the period	523.52
<b>XI Other Comprehensive Income</b>		
	- not to be reclassified to profit and loss in subsequent year	
	Actuarial gains/(losses) on defined benefit plans	(3.88)
	Deferred tax relating to Other Comprehensive Income	1.34
	<b>Other Comprehensive Income for the year</b>	<b>(2.53)</b>
XII	<b>Total Comprehensive Income for the period</b>	<b>520.98</b>
<b>XIII Earnings per Equity share of Rs 5/- each ( for continuing operation)</b>		
	- Basic	2.52
	- Diluted	2.52
	<b>Significant Accounting policies</b>	1
	Basis of preparation, measurement & significant Accounting policies	
	First time adoption of IND AS	
The accompanying notes 1 to 26 are an integral part of these financial statements		



**Notes to Financial Statements for the period ended 30th June, 2017**

**Investment Properties**

<b>Opening balance as on 1st April, 2016</b>	<b>32.69</b>
Additions (subsequent expenditure)	-
<b>Closing balance as on 31st March, 2017</b>	<b>32.69</b>
Additions (subsequent expenditure)	-
<b>Closing balance as on 30th June, 2017</b>	<b>32.69</b>
<b>Depreciation and Impairment</b>	
<b>Opening balance as on 1st April, 2016</b>	<b>20.60</b>
Depreciation	0.36
<b>Closing balance as on 31st March, 2017</b>	<b>20.96</b>
Depreciation	
<b>Closing balance as on 30th June, 2017</b>	<b>20.96</b>
<b>Net Block</b>	
as at 1st April, 2016	12.09
as at 31st March, 2017	11.73
as at 30th June, 2017	11.73

The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e 31st March 2016 as its deemed cost (Gross Block Value) on the date of transition to Ind AS i.e 1st April 2016.

**Information regarding income and expenditure of Investment property:**

	Period ended 30th June, 2017	Year ended 31st March, 2017
Rental income from Investment Properties		
Direct operating expenses (including repairs and maintenance) generating rental income	(0.75)	(2.44)
Direct operating expenses (including repairs and maintenance) that did not generate rental income	<u>0</u>	<u>0</u>
<b>Profit arising from Investment Properties before depreciation and indirect expenses</b>	<b>(0.75)</b>	<b>(2.44)</b>

The Company's Investment properties consist of commercial property given on rentals.

As at 31st March, 2017 and 1st April, 2016 the fair value of this property is Rs 663.84 Lacs and Rs 737.60 Lacs respectively. These valuations are based on valuations performed by Chartered Surveyors - Yardi Prabhu Consultants & Valuers, an accredited independent valuer.

The fair value was derived using the market comparable approach based on recent market price without any significant adjustments being made to the market observable data in the neighbourhood. Observed by the valuers for similar properties in the locality and adjusted basis on the valuer's knowledge of the factors specification to the respective properties. Fair valuation is based on market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. In estimating the fair value of properties, the highest and best use of the properties is their current use.





## Notes to Financial Statements for the period ended 30th June, 2017

## NOTE 4 : INVESTMENTS

		As at 30th June, 2017	
		Units	Amount
A	<b>In Equity Shares of Associate Companies</b>		
i)	<b>Unquoted, fully paid up</b>		
1	Cybele Paradise Pvt Ltd. of Rs.10/- fully paid	120,000	16.00
	Less: Provision for Diminishing Value of Investment		-16.00
			0.00
ii	<b>Investments measured at Fair Value Through Profit and Loss</b>		
1	Narmada Clean Tech Limited of Rs 10/- each fully paid up	247,500	24.75
2	Bharuch Enviro Infrastructure Limited of Rs.10/- each fully paid up	1,751	0.18
iii			24.93
	<b>INVESTMENTS IN MUTUAL FUNDS</b>		
1	Birla Sun Life Frontline Equity Fund - Growth	-	0.00
2	Birla Sun Life Fixed Term Plan - Corp Bond Series A (1170 days)	-	0.00
3	DHFL PRAMERICA GILD FUND (formerly known as DWS Gilt Fund - Growth)		81.66
		439,413	
4	UTI Fixed Term Income Fund Series XVI-VII (366 Days) (GR)	-	0.00
5	JPMorgan US Value Equity Offshore Fund (G)	575,722	78.24
6	SBI Bluechip Fund - Regular Plan (GR)	210,697	73.60
7	HDFC Equity Fund (GR)	-	0.00
8	Mirae Assets India Opportunities Fund - Regular - Growth Plan	483,041	204.22
9	Kotak Select Focus Fund-Growth (Regular Plan)	684,033	206.91
10	IDFC Corporate Bond Regular Plan (G)	1,083,711	123.47
11	ICICI Prudential Income Opp Fund (G)	527,443	124.42
12	HDFC Corporate Debt Opp. Fund	438,754	60.72
13	DSP Black Rock	410,367	84.74
14	Kotak Medium Term Fund Regular Plan (GR)	761,740	105.17
15	Reliance Liquid Fund Treasury Plan Weekly Div Option	1,484	22.73
			1165.87
B	<b>Quoted</b>		
i)	<b>Non-Trade Investment</b>		
1	Asian Paints Ltd of the face value of Re. 1/- fully paid	40,800	443.52
2	Axis Bank of the face value of Rs. 2/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	5,000	25.81
3	Kesoram Textile Mills Ltd of the face value of Rs. 10/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	300	0.00
4	Computech International Ltd of the face value of Rs. 5/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	100	0.00
5	Consortex Karl Doelitz (India) Ltd of the face value of Rs. 10/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	1,000	0.00
6	Skylid Telecom Equipments Ltd of the face value of Rs. 10/- fully paid (Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)	1,000	0.00
7	Lupin Ltd of the face value of Rs. 2/- fully paid	3,375	35.79
8	Axis Bank Ltd. of the face value of Rs. 2/- fully paid	-	-
9	United Phosphorous Ltd. of the face value of Rs. 2/- fully paid	12,850	107.99
10	Kajaria Ceramics Ltd. of the face value of Rs. 2/- fully paid	10,900	72.45
11	Cadila Healthcare Ltd. of the face value of Rs. 5/- fully paid	12,300	64.65
12	Kotak Mahindra Bank of the face value of Rs. 5/- fully paid	13,150	125.64
13	Dalmia Bharat Ltd. of the face value of Rs. 2/- fully paid	5,150	127.03
14	MRF Ltd. of the face value of Rs. 10/- fully paid	-	0.00
15	Indusind Bank of the face value of Rs. 10/- fully paid	8,675	128.39
16	Raymond Ltd. of the face value of Rs. 10/- fully paid	-	0.00
17	PC Jeweller of the face value of Rs. 10/- fully paid	9,950	48.70
18	ICICI Bank Ltd of the face value of Rs. 2/- fully paid	11,825	34.42



19	MCX India of the face value of Rs. 10/- fully paid	5,025	54.63
20	Ashok Leyland of the face value of Rs. 1/- fully paid	-	0.00
21	Havells India Ltd. of the face value of Rs. 1/- fully paid	18,900	86.90
22	Maruti Suzuki of the face value of Rs. 5/- fully paid	1,300	93.83
23	Aegis Logistics Ltd. of the face value of Rs.1/- fully paid.	29,600	55.91
24	SUN TV Network Ltd. the face value of Rs.5/- fully paid.	13,475	109.66
25	Bajaj Finance Ltd of the face value of Rs. 10/- fully paid	4,300	59.09
26	KEC International Ltd. of the face value of Rs. 2/- fully paid	37,856	97.33
27	Kalpataru Power Transmission Ltd of the face value of Rs. 2/- fully paid	25,260	83.59
28	Kirloskar Ferroac Ind. Ltd.of the face value of Rs. 5/- fully paid	47,910	47.17
29	Mahindra Life SPA.. of the face value of Rs. 10/- fully paid	-	0.00
30	Zensar Techof the face value of Rs. 10/- fully paid	-	0.00
31	Deepak Nitrite of the face value of Rs. 2/- fully paid	-	0.00
32	Ramco Cements of the face value of Rs. 1/- fully paid	4,162	28.84
33	Network 18 of the face value of Rs. 5/- fully paid.	-	0.00
34	Godrej Properties of the face value of Rs. 5/- fully paid	-	0.00
35	Coromandel International Ltd of the face value of Re. 1/- fully paid	-	0.00
36	Bajaj Finserv Ltd of the face value of Rs. 5/- fully paid	-	0.00
37	Biocon Ltd. of the face value of Rs. 5/- fully paid	-	0.00
38	TV18 Broadcast Ltd. of the face value of Rs. 2/- fully paid	-	0.00
39	Cox and Kings Ltd of the face value of Rs. 5/- fully paid	-	0.00
40	Dr Reddy Laboratories Ltd of the face value of Rs. 5/- fully paid	-	0.00
41	Glenmark Pharmaceuticals Ltd of the face value of Re. 1/- fully paid	-	0.00
42	ITC Ltd of the face value of Re. 1/- fully paid	-	0.00
43	PTC India Financial Services Ltd of the face value of Rs. 10/- fully paid	-	0.00
44	Shriram Transport Finance Co. Ltd., of the face value of Rs. 10 fully paid	-	0.00
45	Greeves Cotton Ltd of the face value of Rs. 2/- fully paid	-	0.00
46	Tata Motors Ltd DVR Shares of the face value of Rs. 2/- fully paid	-	0.00
47	JMC Projects Shares of the face value of Rs.10 /- fully paid	-	0.00
48	Vardhman Textiles of the face value of Rs.10 /- fully paid	-	0.00
49	CASTROL of the face value of Rs.5 /- fully paid	-	0.00
50	FEDERAL BANK of the face value of Rs. 2/- fully paid	51,676	58.29
51	SIMPLEX INFRASTRUCTURES LTD of the face value of Rs. 2/- fully paid	18,725	95.44
52	Carborundum Universal Ltd. of the face value of Rs.1/- fully paid.	20,000	65.01
53	KCP Ltd. of the face value of Rs.1 /- fully paid.	-	0.00
54	Tamilnadu Newsprint and papers of the face value of Rs.10 /- fully paid.	-	0.00
55	Tech Mahindra of the face value of Rs. 5/- fully paid	15,010	57.24
56	Mahindra CIE Automotive Limited the face value of Rs.10/- fully paid.	18,300	44.62
57	Sun Pharmaceuticals Industries Ltd of the face value of Re. 1/- fully paid	11,775	65.29
58	Gujarat GAS Ltd. of the face value of Rs. 10/- fully paid	4,000	29.70
59	Aditya Birla Fashion and Retail Ltd of the face value of Rs. 10/- fully paid	16,587	28.76
60	Tata Communications Ltd of the face value of Rs. 10/- fully paid	7,130	51.48
61	Thomas Cook India Ltd. of the face value of Rs. 10/- fully paid	18,110	44.99
			<b>2472.14</b>
	Market Value of quoted Investments		2472.14
	Aggregate amount of unquoted Investments		1190.79
	<b>Aggregate amount of impairment in value of Investments</b>		<b>3662.94</b>



Notes to Financial Statements for the period ended 30th June, 2017

**NOTE 6: OTHER NON CURRENT ASSETS**  
(Unsecured and considered good)

Rs in Lacs

As at  
30th June, 2017

Capital Advances	18.65
Security Deposits	494.12
Balance with Excise & Service Tax	747.27
Excise Duty/Sales Tax under protest	25.06
Income Tax paid against disputed liability	208.33
Advance payments of Income Tax (NET)	
Advance payments of Income Tax - (NET)	1,048.68
Trade Receivables:	
Overdue for more than six months	377.90
Less : Provision for Doubtful Debt	(377.90)
Net Trade Receivable	-
Sales Tax Refund Receivable	633.59
	<b>3,175.69</b>



Notes to Financial Statements for the period ended 30th June, 2017		Rs in Lacs
<b>NOTE 7 : INVENTORIES</b>		
	<b>As at</b>	
	<b>30th June, 2017</b>	
Raw Materials	1,549.02	
Packing Materials	105.94	
Work In Progress	15.01	
Stores and Spares	333.88	
Finished Goods	1,396.94	
Scrap	3,400.79	
<b>FINANCIAL ASSETS</b>		
<b>NOTE 4 : Investments</b>		
	<b>As at</b>	
	<b>30th June, 2017</b>	
Investment in Liquid Mutual Funds	1,010.30	
	<b>1,010.30</b>	
<b>NOTE 8 : TRADE RECEIVABLES</b>		
<b>(Unsecured unless otherwise stated)</b>		
	<b>As at</b>	
	<b>30th June, 2017</b>	
Considered Good	9,970.45	
Considered Doubtful	(377.90)	
Less : Allowance for bad and doubtful debt	<b>9,592.55</b>	
<b>NOTE 9 : CASH AND CASH EQUIVALENTS</b>		
	<b>As at</b>	
	<b>30th June, 2017</b>	
Cash on hand	6.82	
Balances with Banks:		
In current accounts	395.97	
EEFC	247.38	
Term Deposits with original maturity of less than three months		
TOTAL CASH AND CASH EQUIVALENTS	650.17	
OTHER BANK BALANCES		
Earmarked balances with banks:		
Margin money deposits	27.55	
TOTAL OTHER BANK BALANCES	27.55	
	<b>677.72</b>	



**NOTE 11 : OTHER CURRENT ASSETS**  
**(Unsecured and considered good)**

	<b>As at</b>
	<b>30th June, 2017</b>
Interest Receivable	80.98
Discount Receivable	35.42
Octroi Receivable	0.62
Excise Duty Refund(Exports)	1.95
Sales Tax Refund Receivable	-
Interest on Sales Tax Refund Receivable	
Export benefits receivable	8.46
Assets held for disposal	-
Advances to vendors	269.14
Advance to employees	41.50
Other Advances receivable in cash or kind	-
Earmarked balances with banks:	
Unpaid dividend	69.24
Other Receivable	197.13
	<b>704.44</b>



Notes to Financial Statements for the period ended 30th June, 2017

**NOTE 12A : EQUITY SHARE CAPITAL**

**Rs in Lacs**

	<b>As at 30th June, 2017</b>
<b>Authorised</b>	
6,22,60,000 Equity Shares of 5/- each(2,99,40,000 Equity Shares of 5/-each)	3,113.00
500 Preference Shares of 100/- each(500 Preference Shares of 100/- each)	0.50
50,000 Unclassified Shares of 5/- each (50,000 Unclassified Shares of 5/- each)	2.50
<b>Issued, Subscribed and Paid up capital</b>	
2,07,37,984 Equity Shares of 5/- each fully paid (2,07,37,984 Equity Shares of 5/-)	1,040.80
	<b>1,040.80</b>

**a) Reconciliation of the number of shares**

Equity Shares :

	<b>As at 30th June,2017</b>	
	Number of Shares	Amount
Balance as at the beginning of the year	2,07,37,984	1040.8
Add : Increase in the number of Shares on issue of bonus shares for every one equity shares during the year		
Balance as at the end of the year	2,07,37,984	1040.8

**b) Shareholders holding more than 5% shares in the company**

Shares held by

	<b>As at 30th June,2017</b>	
	Number of Shares	% Holding
Saldhar Investment & Trading Company Pvt Ltd (Holding Company wef 23rd November 2016)	1,05,98,300	51.11
Trivikram Investment & Trading Company Ltd	23,888	0.12
Dhumraketu Investment & Trading Company Pvt Ltd	71,398	0.34
Atul Champaklal Choksey		



**c) Rights, Preference & Restrictions attached to Equity Shares**

The Company has one class of share having a par value of 5 per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion to their shareholding.

**NOTE 12B : OTHER EQUITY**

Refer Statement of changes in Equity for Detailed movement in Equity balance

**Summary of Other Equity Balance**

	<b>As at 30th June, 2017</b>
Capital Reserve	7,402.5
Capital Redemption Reserve	
Share Premium	2,600.0
General Reserve	3,603.7
Retained earnings	7,658.1
Other Comprehensive Income	(12.9)
<b>Total other equity</b>	<b>21,251.33</b>

**Nature and purpose of reserves**

(a) Securities Premium Reserve : The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve

In case of equity settled based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

(b) Retained Earnings : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders



Notes to Financial Statements for the period ended 30th June, 2017	
	Rs in Lacs
<b>LONG TERM BORROWINGS</b>	
	As at 30th June, 2017
<b>Secured Loans</b>	
<b>Rupee Term Loans from :</b>	
Banks	
Financial Institutions	
Body Corporates	
<b>Foreign Currency Term Loans from :</b>	
Financial Institutions	
<b>Total Secured Loans(A)</b>	
<b>Unsecured Loans</b>	
<b>Foreign Currency Term Loans from</b>	
Body Corporate	
<b>Inter Corporate Deposits from</b>	
Related parties	
<b>Total Unsecured Loans(B)</b>	
<b>Total (A+B)</b>	
<b>NOTE 13 : OTHER FINANCIAL LIABILITIES</b>	
	As at 30th June, 2017
<b>Non Current</b>	
Security Deposits	318.98
Contingent Consideration	
<b>Total (A)</b>	318.98
<b>Current</b>	
Unpaid Dividends	
Derivative Financial Liabilities- forward contracts	
Other Payables	
<b>Total (B)</b>	
<b>Total (A + B)</b>	
<b>NOTE 14 : NON CURRENT PROVISIONS</b>	
	As at 30th June, 2017
<b>Employee Liabilities</b>	
Leave encashment and gratuity	200.46
<b>Total</b>	<b>200.46</b>





<b>NOTE 15 : OTHER NON CURRENT LIABILITIES</b>	
	<b>As at 30th June, 2017</b>
Income Tax	-
<b>NOTE 5 : DEFERRED TAX LIABILITIES</b>	
	<b>As at 30th June, 2017</b>
Depreciation on Fixed Assets ( other than Scientific Research Assets)	588.63
Depreciation on Scientific Research Assets	27.56
Others	
<b>Total deferred tax liabilities</b>	<b>616.19</b>
<b>Deferred tax assets</b>	
Brought forward unabsorbed depreciation	-
Provision for doubtful debts	131.34
Provision for leave encashment & gratuity	129.92
Provision for bonus	40.30
Others	8.65
MAT credit entitlement	0.00
<b>Total deferred tax assets</b>	<b>310.20</b>
<b>Net Deferred tax liability/(assets)</b>	<b>305.98</b>



Rs in Lacs

**NOTE 16 : BORROWINGS**

	As at 30th June, 2017
<b>Secured Loans</b>	
<b>Working Capital Loans</b>	
Cash Credit facilities from Banks	2,228.74
Current Maturities of Long term debt	-
<b>Short Term Loans from :</b>	
Banks	
Financial Institutions	
<b>Total Secured Loan(A)</b>	<b>2,228.74</b>
<b>Unsecured Loans from :</b>	
Banks	
Related party	
<b>Total Unsecured Loan(B)</b>	<b>-</b>
<b>Total (A+B)</b>	<b>2,228.74</b>

**NOTE 17 : TRADE PAYABLES**

	As at 30th June, 2017
Dues to Micro And Small Enterprises	59.09
Dues To Others	3,522.44
	<b>3,581.53</b>

**NOTE 18 : OTHER CURRENT FINANCIAL LIABILITIES**

	As at 30th June, 2017
Interest accrued but not due on borrowings	3.93
Gratuity	157.83
<b>Other Liabilities:</b>	
Payable for Expenses	512.02
Payable for capital goods	83.76
Commission to Non Exe Directors	25.00
Outstanding Expenses	501.85
	<b>1,284.40</b>

**NOTE 14 : CURRENT PROVISIONS**

	As at 30th June, 2017
<b>For Employee Benefits:</b>	
- Leave Encashment & Gratuity	
<b>For Wealth tax</b>	
<b>Proposed Dividend</b>	
<b>Provision for Dividend Distribution Tax</b>	
	-



**NOTE 19 : OTHER CURRENT LIABILITIES**

	As at 30th June, 2017
<u>Statutory Payables -</u>	
Central Sales Tax and VAT	0.57
Service Tax	184.29
Excise duty on Closing Stock	420.91
TDS under Income Tax	23.33
Provident Fund, Profession Tax and ESIC	20.66
<u>Payable to Employees -</u>	
Salaries and Wages	253.43
Bonus	116.70
Incentives	56.08
Leave Encashment	17.11
Unpaid/Unclaimed Dividend	68.86
Unclaimed Fixed Deposits and Interest thereon	0.70
Income Tax	
<u>Other Liabilities -</u>	
Advance received from Customers	-
	<b>1,162.63</b>



Notes to Financial Statements for the period ended 30th June, 2017

Rs in Lacs	
For the period ended 30th June, 2017	
<b>NOTE 20 : REVENUE FROM OPERATIONS</b>	
<b>Sale of Products</b>	
Domestic	10,936.60
Exports	2,312.22
<b>Turnover</b>	<u>13,248.82</u>
<b>Less : Direct expenses related to Sales</b>	
Sales Discount & Rebates	(53.13)
Commission	(29.11)
<b>Sale of Products</b>	<u>13,166.59</u>
<b>Other Operating Income :</b>	
Export Incentives	35.77
Scrap Sales	9.07
Insurance Claim	-
Other Income	2.68
	<u>47.52</u>
	<u>13,214.11</u>

**NOTE 21 : OTHER INCOME**

For the period ended 30th June, 2017	
<b>Interest Income on</b>	
Bank Deposits	6.78
Current Investments	
<b>Dividend Income from</b>	
Non Current Investments	14.14
<b>Income from Rent</b>	13.05
<b>Other Income</b>	0.19
<b>Foreign Exchange Fluctuation difference</b>	9.10
<b>Surplus on sale of Non current Investments</b>	178.63
	<u>221.89</u>



**NOTE 22A : COST OF MATERIALS CONSUMED**

	For the period ended 30th June, 2017
<b>Raw Materials Consumed</b>	
Opening Stock	2,119.71
Add : Purchases	7,491.10
	<u>9,610.81</u>
Less : Sale of Raw Materials	-
	<u>9,610.81</u>
Less : Closing Stock Raw Materials	(1,549.02)
Less : Closing Stock taken over in Merger of Apcotex Solutions India Pvt Ltd	-
	<u>8,061.79</u>
<b>Packing Materials Consumed</b>	
Opening Stock	73.36
Add : Purchases	330.81
	<u>404.17</u>
Less : Closing Stock Packing Materials	(105.94)
Less : Closing Stock taken over in Merger of Apcotex Solutions India Pvt Ltd	-
	<u>298.23</u>
	<u>8,360.02</u>

**NOTE 22B : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE, WORK IN PROGRESS**

	For the period ended 30th June, 2017
<b>Opening Inventories</b>	
Finished Goods	1,955.22
Work In Progress	18.43
<b>Total (A)</b>	<u>1,973.66</u>
<b>Closing Inventories</b>	
Finished Goods	1,396.94
Work In Progress	15.01
Add : Stock Taken over in Merger of Apcotex Solutions India Pvt Ltd	
Finished Goods	
Work In Progress	
<b>Total (B)</b>	<u>1,411.94</u>
<b>Total (B-A)</b>	<u>561.71</u>

**NOTE 23 : EMPLOYEE BENEFIT EXPENSES**

	For the period ended 30th June, 2017
Salaries,Wages,Allowances and Bonus	602.79
Wages and allowances to Contract Labour	110.03
Contribution to Provident Funds and Other funds	37.38
Workmen and staff welfare expenses	46.10
Defined benefit plan expense	-
	<u>796.30</u>



**NOTE 24 : FINANCE COST**

	For the period ended 30th June, 2017
Interest Expense on bank overdraft and others	45.67
Net interest on the net defined benefit liability	
Other Finance Cost	5.11
	<u>50.78</u>

**NOTE 25 : DEPRECIATION AND AMORTISATION EXPENSE**

	For the period ended 30th June, 2017
Depreciation on property, plant and equipments	303.23
Depreciation on Investment Property	0.09
Amortisation on intangible assets	8.46
	<u>311.77</u>

**NOTE 26 : OTHER EXPENSES**

	For the period ended 30th June, 2017
Stores and Spares consumed	48.85
Power and fuel	523.42
Repairs and Maintenance	
Buildings Repairs and Maintenance	38.14
Machinery Repairs and Maintenance	20.10
Other Assets Repairs and Maintenance	45.12
Rent	3.42
Rates and Taxes	60.36
Insurance	19.16
Excise Duty	1,206.86
Freight and transport charges	250.85
Advertisement	12.72
Printing, Stationary, & Communication charges	18.70
Travelling Expenses	
Directors Travelling Expenses	56.98
Others Travelling Expenses	65.03
Commission on sales	34.09
Loss on sale of Fixed Assets	-
Fixed Assets Written off	8.52
Bad Debts Written off	-
Provision for Bad & Doubtful Debts	2.15
Donation	-
Bank Charges	28.82
Miscellaneous expenses	147.13
Prov for Diminishing Value of Investments	
Commission to Non Executive Directors	5.00
Directors' meeting fees	1.80
Auditors Remuneration (Refer Note (a) below)	3.92
Professional Fees	54.57
Excess Provision written back	(16.53)
	<u>2,639.17</u>



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Notes:

**(a) Breakup of Auditors Remuneration :**

Auditor's remuneration and expenses

Statutory audit fees	2.88
Tax audit fees	0
Non audit fees	
Others	
Fees for other audit related services	
Fees for certification	0.52
Reimbursement of out of pocket expenses	0.52
Total	3.92

(b) Total revenue expenditure (net of recoveries) on Research and Development (R & D) eligible for weighted deduction under section 35(2AB) of the Income Tax Act, 1961 aggregates to (2015-16: )

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**Note 2A & 2B: Property, Plant and Equipment**

Tangible Assets and Capital work in progress:

	Land		Buildings	Plant & Equipment	& Furniture & office equipments	Vehicles	Scientific Equipments	Electric Pipe Fittings	& Windmill	Total	Capital work in progress
	Freehold	Leasehold									
<b>Gross Block</b>											
Balance as at 1st April, 2016 (deemed cost)	5.33	730.47	2,333.67	4,315.98	128.69	77.76	91.84	840.19	430.29	8,954.21	
Additions	-	30.97	257.52	435.89	57.30	81.39	8.58	76.71	-	948.36	
Disposals	-	-	-	-	(2.92)	(44.41)	-	-	-	(47.33)	
<b>Balance as at 31st March, 2017</b>	<b>5.33</b>	<b>761.44</b>	<b>2,591.19</b>	<b>4,751.87</b>	<b>183.06</b>	<b>114.74</b>	<b>100.42</b>	<b>916.90</b>	<b>430.29</b>	<b>9,855.24</b>	<b>595.71</b>
Additions	-	-	186.62	96.56	5.67	4.40	1.70	32.08	-	327.02	
Disposals	-	-	(23.86)	-	-	-	-	-	-	(23.86)	
<b>Balance as at 30th June, 2017</b>	<b>5.33</b>	<b>761.44</b>	<b>2,753.96</b>	<b>4,848.43</b>	<b>188.73</b>	<b>119.14</b>	<b>102.12</b>	<b>948.98</b>	<b>430.29</b>	<b>10,158.41</b>	<b>353.30</b>
<b>Accumulated Depreciations</b>											
Balance as at 1st April, 2016	-	-	-	-	-	-	-	-	-	-	-
Additions	-	9.79	123.17	740.81	45.08	26.94	17.92	184.30	26.51	1,174.51	
Disposals	-	-	-	-	(2.82)	(29.29)	-	-	-	(32.11)	
<b>Balance as at 31st March, 2017</b>	<b>-</b>	<b>9.79</b>	<b>123.17</b>	<b>740.81</b>	<b>42.26</b>	<b>(2.35)</b>	<b>17.92</b>	<b>184.30</b>	<b>26.51</b>	<b>1,142.40</b>	
Additions	-	2.55	35.34	198.41	10.97	5.27	4.55	46.14	6.61	303.23	
Disposals	-	-	(15.33)	-	-	-	-	-	-	(15.33)	
<b>Balance as at 30th June, 2017</b>	<b>-</b>	<b>12.34</b>	<b>143.17</b>	<b>939.22</b>	<b>53.22</b>	<b>2.92</b>	<b>22.48</b>	<b>230.44</b>	<b>33.11</b>	<b>1,430.30</b>	
<b>Net Block</b>											
Balance as at 1st April, 2016	5.33	730.47	2,333.67	4,315.98	128.69	77.76	91.84	840.19	430.29	8,954.21	488.55
Balance as at 31st March, 2017	5.33	751.64	2,468.03	4,011.07	140.81	117.09	82.49	732.60	403.78	8,712.84	595.71
Balance as at 30th June, 2017	5.33	749.10	2,610.79	3,909.21	135.51	116.22	79.64	718.54	397.17	8,728.11	353.30





**Note 2C: Intangible Assets**

	Goodwill	Computer Software	Total
<b>Gross Block</b>			
Balance as at 1st April, 2016 (deemed cost)	-	31.06	31.06
Additions	-	69.93	69.93
Disposals	-	(77.47)	(77.47)
<b>Balance as at 31st March, 2017</b>	<u>-</u>	<u>23.52</u>	<u>23.52</u>
Additions	-		-
Disposals	-		-
<b>Balance as at 30th June, 2017</b>	<u>-</u>	<u>23.52</u>	<u>23.52</u>
<b>Accumulated Depreciations</b>			
Balance as at 1st April, 2016	-	-	-
Additions	-	35.13	35.13
Disposals	-	(77.47)	(77.47)
<b>Balance as at 31st March, 2017</b>	<u>-</u>	<u>(42.33)</u>	<u>(42.33)</u>
Additions	-	8.47	8.47
Disposals	-		-
<b>Balance as at 30th June, 2017</b>	<u>-</u>	<u>(33.87)</u>	<u>(33.87)</u>
<b>Net Block</b>			
Balance as at 1st April, 2016	-	31.06	31.06
Balance as at 31st March, 2017	-	65.85	65.85
<b>Balance as at 30th June, 2017</b>	<u>-</u>	<u>57.38</u>	<u>57.38</u>

The Company has elected to measure all its property, plant and equipment at the previous GAAP carrying amount i.e 31st March 2016



# Annexure - 11

**SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED**  
**Provisional unaudited Balance sheet as at June 30 2017**

Particulars	Note No.	As at June 30, 2017
<b>I. EQUITY AND LIABILITIES</b>		
<b>(1) Shareholders' Funds</b>		
(a) Share capital		
(b) Reserves and surplus	2 (1)	502,320
(c) Money received against share warrants	2 (2)	2,624,680,859
		<u>2,625,183,179</u>
<b>(2) Share application money pending allotment</b>		
<b>(3) Non-current liabilities</b>		
(a) Long-term borrowings		-
(b) Deferred tax liabilities (Net)		-
(c) Other long term liabilities		-
(d) Long-term provisions		-
<b>(4) Current liabilities</b>		
(a) Short-term borrowings		
(b) Trade payables		
(c) Other current liabilities	2 (3)	10,350
(d) Short-term provisions	2 (4)	-
		<u>52,772,620</u>
<b>TOTAL</b>		<u>52,782,970</u>
<b>II. ASSETS</b>		
<b>(1) Non-current Assets</b>		
(i) Tangible assets		
(ii) Intangible assets		-
(iii) Capital work-in-progress		-
(iv) Intangible assets under development		-
(b) Non-current investments		
(c) Deferred tax assets (net)	2 (5)	2,526,729,123
(e) Other non-current assets	2(6)	49,079,667
		<u>2,575,808,790</u>
<b>(2) Current Assets</b>		
(a) Current investments		
(b) Inventories	2 (7)	46,732,404
(c) Trade receivables		-
(d) Cash and cash equivalents		-
(e) Short-term loans and advances	2 (8)	2,828,539
(f) Other Current assets	2 (9)	52,596,416
		<u>102,157,359</u>
<b>TOTAL</b>		<u>2,677,966,149</u>

1  
2  
4

For and on behalf of the Board of Directors of  
**SALDHAR INVESTMENTS AND TRADING  
COMPANY PRIVATE LIMITED**

For Saldhar Investments And Trading Company Private Limited

*Ramula*

Director / Authorised Signatory

Director

Director

Place: Mumbai



**SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED**  
**Provisional unaudited Profit and Loss statement for the period ended June 2017**

Particulars	Note No.	As at June 30,2017
I. Revenue from operations	3 (1)	
II. Other income	3 (2)	1,284
III. Total Revenue (I + II)		<u>1,284</u>
IV. Expenses:		
Cost of materials consumed		-
Purchases of stock-in-trade		-
Changes in inventories of finished goods, work-in-progress		-
Employee benefits expense		-
Finance costs		-
Depreciation and amortization expense		-
Other expenses		-
Total Expenses	3 (3)	<u>1,477,396</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		<u>(1,476,112)</u>
VI. Exceptional items		
VII. Profit before extraordinary items and tax (V-VI)		<u>(1,476,112)</u>
VIII. Extraordinary items		
IX. Profit before tax (VII - VIII)		<u>(1,476,112)</u>
X. Tax Expenses:		
(1) Current Tax		
Income Tax		
(Excess)/Short provision for previous years		
(2) Deferred Tax		
XI. Profit / (Loss) for the period from continuing operations (VII-VIII)		<u>(1,476,112)</u>
XII. Profit/(Loss) from discontinuing operations		-
XIII. Tax expense of discontinuing operations		-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		-
XV. Profit/(Loss) for the year (XI + XIV)		<u>(1,476,112)</u>
Significant Accounting Policies	1	
Notes to the Statement of Profit and Loss	3	
Other Notes	4	

For and on behalf of the Board of Directors  
SALDHAR INVESTMENTS AND TRADING  
COMPANY PRIVATE LIMITED

For Saldhar Investments And Trading Company Private Limited

*[Signature]*

Director / Authorised Signatory

*[Signature]*  
Director Director

Place: Mumbai



**SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED**

Accompanying notes to the Provisional unaudited financial statements for the period ended June 30, 2017

NOTE 2: Notes to the Balance Sheet

**1 - SHARE CAPITAL.**

**a. Details of authorised, issued and subscribed share capital**

Particulars	As at June 30. 2017
Authorised Capital	
4,46,000 Equity Shares of Rs.10/- each	4,460,000
400 Non Cumulative Redeemable Preference Share of Rs.100/-	40,000
Issued Capital, Subscribed and Paid up	
50,232 Equity Shares of Rs 10/- each, fully paid up	502,320
Share suspense account	
	502,320

**b. Shareholders holding more than 5% shares**

Name of Shareholder	As at June 30. 2017	
	No of Equity shares held	Percentage
Atul Choksey	21,930	43.65%
Parul Choksey	18,362	36.55%
Abhiraj Choksey	7,974	15.87%

**SALDHA INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED**

Accompanying notes to the Provisional unaudited financial statements for the period ended June 30, 2017

NOTE 2: Notes to the Balance Sheet

**2 - RESERVES AND SURPLUS**

Particulars	As at June 30, 2017
<b>a. Capital Reserves</b>	
Opening Balance	2,282,003,882
(+) Current Year Transfer	
(+) Capital Reserve on Amalgamation	
(-) Written Back in Current Year	
Closing Balance	2,282,003,882
<b>b. Capital Redemption Reserve</b>	
Opening Balance	
(+) Current Year Transfer	31,500
(-) Written Back in Current Year	
Closing Balance	31,500
<b>c. Reserve Fund in terms of Section 45 (1C)(i) of the Reserve Bank of India Act, 1934</b>	
Opening Balance	
(+) Current Year Transfer	64,962,524
(+) Reserve recognised on Amalgamation	
(-) Written Back in Current Year	
Closing Balance	64,962,524
<b>d. General Reserve :</b>	
Opening Balance	
(+) Current Year Transfer	36,967,096
(-) Written Back in Current Year	
Closing Balance	36,967,096
<b>e. Surplus</b>	
Opening balance	
(-) Net Profit/(Net Loss) For the current year	242,191,969
(+) Transfer from Reserves	(1,476,112)
(-) Proposed Dividends	
(-) Tax on Proposed Dividends	
(-) Transfer to Reserves	
Closing Balance	240,715,857
<b>GRAND TOTAL</b>	<b>2,624,680,859</b>

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the Provisional unaudited financial statements for the period ended June 30, 2017

NOTE 2: Notes to the Balance Sheet

3 - TRADE PAYABLES

Particulars	As at June 30, 2017
Trade Payables *	
Due to Micro and Small Enterprises	
Other than Micro and Small Enterprises	10,350
	10,350

4 - SHORT-TERM PROVISIONS

Particulars	As at June 30, 2017
Provision for Income Tax	52,700,000
TDS payable	72,620
Total	52,772,620

SALDIHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the Provisional unaudited financial statements for the period ended June 30, 2017

NOTE 2: Notes to the Balance Sheet

5 - NON-CURRENT INVESTMENTS

Particulars	As at June 30, 2017
A. Trade Investments	
B. Other Investments (Refer A below); stated at cost; Fully paid; in Equity instruments	
<u>Quoted:</u>	
in Associate companies	2,526,729,123
<u>Unquoted:</u>	
in Associate companies	
in others	
	2,526,729,123
TOTAL (A+B)	2,526,729,123
Less : Provision for diminution in the value of investments	
	2,526,729,123

Particulars	As at June 30, 2017
Aggregate amount of quoted investments	2,526,729,123
Aggregate amount of unquoted investments	
Aggregate market value of quoted investments	4,300,790,140

SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the Provisional unaudited financial statements for the period ended June 30, 2017

NOTE 2: Notes to the Balance Sheet  
5 - NON-CURRENT INVESTMENTS

A. Details of others Investments

Sr. No.	Name of the Body Corporate	Face value (Rs.)	As at June 30, 2017	As at June 30, 2017
			No. of Shares / Units	Amount (Rs.)
1	<u>Investment in Equity shares (Quoted)</u> <u>- in Associate companies</u>			
	<u>- in others (non associate companies)</u>			
	Apcotex Industries Limited	5	10,598,300	2,526,729,123
			-	-
			-	-
			-	-
			-	-
			-	-
	Total			2,526,729,123



SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED

Accompanying notes to the Provisional unaudited financial statements for the period ended June 30, 2017

NOTE 2: Notes to the Balance Sheet

6 - LONG-TERM LOANS AND ADVANCES

Particulars	As at June 30, 2017
Amalgamation adjustment account	49,079,667
Total	49,079,667

**SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED**

Accompanying notes to the Provisional unaudited financial statements for the period ended June 30, 2017

**NOTE 2: Notes to the Balance Sheet**

**7- CURRENT INVESTMENTS**

Particulars	No. of units	As at
	As at June 30, 2017	As at June 30, 2017
Investments in Mutual Funds; Unquoted; at cost; fully paid up IDFC ultra short term fund Growth	1,987,528	46,732,404
Less : Provision for diminution in the value of Investments		46,732,404
		46,732,404

Particulars	As at June 30, 2017
Aggregate amount of quoted investments	-
Aggregate amount of unquoted investments	46,732,404
Aggregate market value of quoted investments	-

**8- CASH AND CASH EQUIVALENTS**

Particulars	As at June 30, 2017
a. Balances with banks	2,822,968
b. Cash on hand	5,571
Total	2,828,539

**9 - OTHER CURRENT ASSETS**

Particulars	As at June 30, 2017
Income Tax Paid	51,959,589
Reimbursement receivable	288,035
Others	348,792
Total	52,596,416

Accompanying notes to the Provisional unaudited financial statements for the period ended June 30, 2017

NOTE 3: Notes to the Statement of Profit and Loss

1 - REVENUE FROM OPERATIONS

Particulars	As at June 30, 2017

2 - OTHER INCOME

Particulars	As at June 30, 2017
<u>Dividend Income</u>	
from current investments	
from Long term investments	
<u>Net gain/loss on sale of investments</u>	
from current investments	
from Long term investments	
<u>Other non-operating income</u>	
Prior Period Income	
Profit on sale of Fixed Asset	
Misc income	1,284
	1,284

3 - OTHER EXPENSES

Particulars	As at June 30, 2017
Profession Tax	
Amalgamation expenses	1294961
Professional Fees	86250
Demat Charges	89990
Filing Fees	
Securities Transaction Tax	
bank charges	230
Misc. exp	5965
S balance written off	
Auditors' remuneration - Audit Fees	
Auditors' remuneration - Certification fees	
	1,477,396

**SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED**

**NOTE 1: Significant accounting policies**

**Significant accounting policies**

The Board of Directors of the company have proposed a scheme of amalgamation of the company with Apcoex Industries Ltd. The appointed date of the merger is 31st March, 2017. The said merger is currently in process and is subject to receipt of approval from regulatory authorities. The above financial statements do not consider the above proposed scheme of amalgamation. The financial statements have been prepared for the limited purpose for use in the filings for above mentioned scheme.

**BASIS OF PREPARATION**

The financial statement of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has been prepared these financial statements to comply in all material respects with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**Method of Accounting**

The Books of Accounts are maintained on accrual basis.

**Investments**

Investments are valued at cost except specifically mentioned otherwise. All the investments are considered as long term by the management. In accordance with Accounting Standard (AS) 13 'Accounting for Investments' issued by the Institute of Chartered Accountants of India, the long term investments held by the Company are carried at cost plus related expenses. Decline in Market Value of investments, if any, is of temporary nature.

**Provision for Taxation**

Provision for taxation is Current tax as per total income returnable under the Income Tax Act, 1961. As per the Accounting Standard (AS) 22 'Accounting for taxes on Income' issued by the Institute of Chartered Accountants of India, the provision for deferred taxation liability is not made as there are no timing differences arising. Deferred tax asset for carried forward losses is recognized, if any, only to the extent of virtual certainty of availability of future taxable income. Accordingly, the management has decided not to recognize deferred tax asset in view of uncertainty of future benefit.

**Other Accounting Policies**

These are consistent with the generally accepted accounting practices.

**Previous year figures**

Previous years' figures are regrouped/rearranged wherever necessary.

**SALDHAR INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED**

**NOTE 4: Other notes forming part of accounts**

**Accompanying notes to the financial statements for the year ended March 31, 2012**

1. Expenditure in foreign currency - Nil, Previous year Nil

2. Earnings in foreign currency - Nil, Previous year Nil

3. Information on related parties as required by Accounting Standard (AS)-18- Related Party Disclosures:

a. Holding/subsidiary companies -

None

c. Key Management Personnel -

Mr. Ashwinji Atul Choksey	Director
Mr. Atul C. Choksey	Director
Mrs. Parul Atul Choksey	Director
Mr. Girish C. Choksey	Director
Mrs. Devanshi Jalan	Director

d. Entities / Person(s) controlling - Atul C. Choksey, Parul A. Choksey.

4. There are no related party transactions during the year.

Signature to Note 1 to 4

For and on behalf of the Board of Directors of  
SALDHAR INVESTMENTS AND TRADING  
COMPANY PRIVATE LIMITED

Director

Director

Place: Mumbai

0

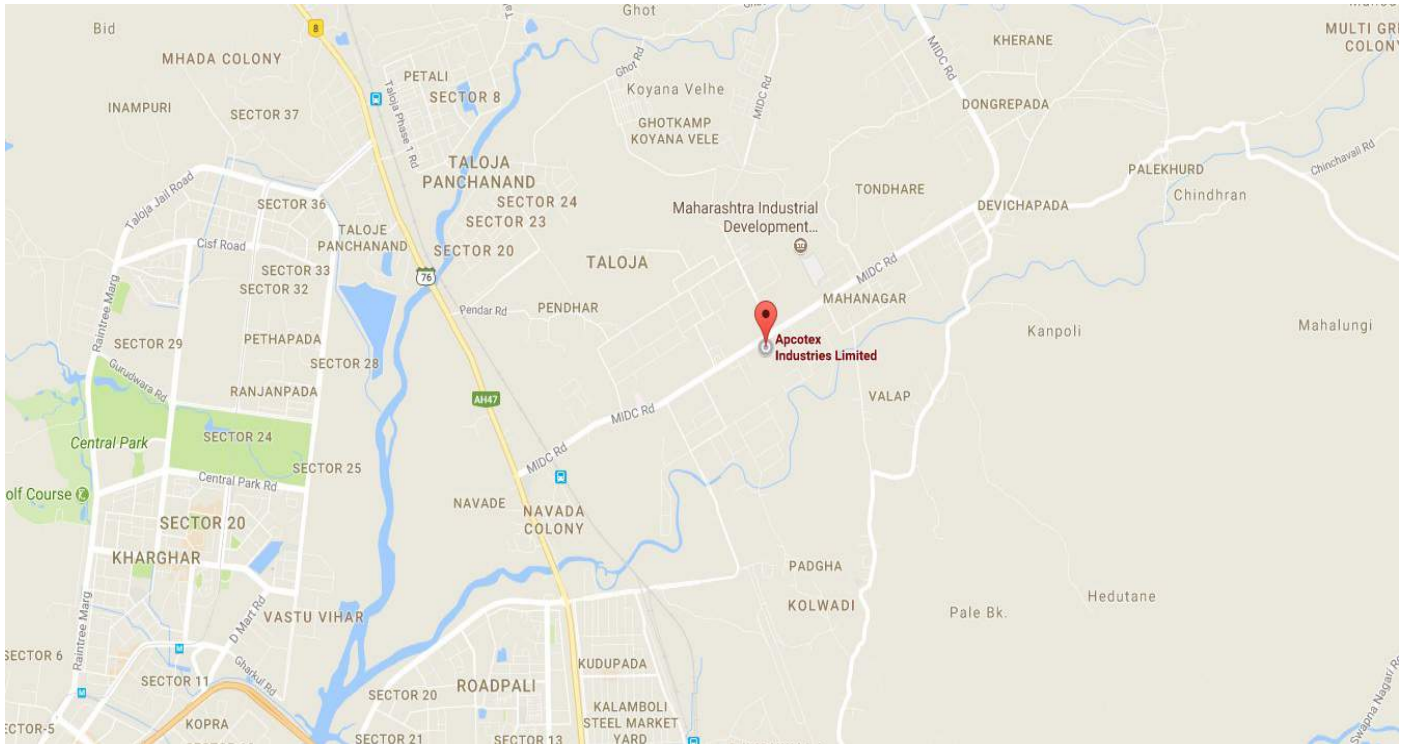
For Saldhar Investments And Trading Company Private Limited

*Ambedkar*

Director / Authorised Signatory



## Route Map for the Venue of the Meeting



**apcotex industries limited**

Regd. Office :Plot no. 3/1 MIDC Industrial Area, Taloja – 410 208,  
Dist. Raigad, Maharashtra. CIN:L99999MH1986PLC039199,  
Tel. : (022) 2740 3500, Fax: (022) 2741 2052;  
E-mail: redressal@apcotex.com, Website: www.apcotex.com



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**

**COMPANY SCHEME APPLICATION NO 883 OF 2017**

In the matter of Companies Act, 2013;

And

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

And

In the matter of Apcotex Industries Limited

And

In the matter of Scheme of Amalgamation between Saldhar Investments And Trading Company Private Limited and Apcotex Industries Limited and their respective shareholders

**Apcotex Industries Limited**, a company incorporated under the provisions of the Companies Act, 2013, and having its registered office at Plot No.3/1, MIDC Industrial Area, Taloja- 410208, Dist. Raigad, Maharashtra

..... **Applicant Company**

**FORM OF PROXY**

[As per Form MGT -11 and Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
No. of Shares Held	
Folio No. /DP ID & Client ID*	
Joint Holder(s)	
E-mail Id	

\*Applicable in case shares are held in electronic form.

I/We being the member(s) of \_\_\_\_\_ equity shares of the above named Company,here by appoint:

1) Name \_\_\_\_\_

Address \_\_\_\_\_

Email id \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her;

2) Name \_\_\_\_\_

Address \_\_\_\_\_

Email id \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him/her;

3) Name \_\_\_\_\_

Address \_\_\_\_\_

Email id \_\_\_\_\_ Signature: \_\_\_\_\_



as my / our proxy, to act for me/us at the meeting of the Equity Shareholders of Apcotex Industries Limited to be held on Monday, 20<sup>th</sup> November 2017 at 11:30 am at Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra for the purpose of considering and, if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation between Saldhar Investments And Trading Company Private Limited and Apcotex Industries Limited and their respective shareholders (the "Scheme") and at such meeting and at any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s) \_\_\_\_\_ here, if 'for', insert '**FOR**', if 'against', insert '**AGAINST**', and in the later case, strike out the words below after 'the Scheme') the said arrangement embodied in the Scheme, either with or without modification(s)\*, as my/our proxy may approve. (\*Strike out whatever is not applicable)

Sr. No.	Particulars	For	Against
1	Approval of Scheme of Amalgamation between Saldhar Investments And Trading Company Private Limited ("Transferor Company" or "Saldhar") and Apcotex Industries Limited ("Transferee Company" or "Apcotex") and their respective shareholders		

Affix  
Revenue  
Stamp of  
Re. 1

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of Shareholder (s) \_\_\_\_\_

Signature of Proxy holder (s) \_\_\_\_\_

(Signature across the stamp)

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. The Form of Proxy must be deposited at the registered office of the Company at Plot No.3/1, MIDC Industrial Area, Taloja-410208, Dist. Raigad, Maharashtra not less than 48 (Forty Eight) hours prior to the commencement of the aforesaid meeting. A person can act as proxy on behalf of shareholders not exceeding fifty (50) and/or holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by shareholder(s) holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as proxy for any other person or shareholder.
3. All alterations made in the Form of Proxy should be initialed.
4. In case multiple proxies are received not less than 48 (Forty Eight) hours before the time of holding the aforesaid meeting, the proxy received later in time shall be accepted.
5. Also, a person who is a minor cannot be appointed as proxy.
6. Please affix appropriate revenue stamp before putting signature.
7. Proxy need not be a shareholder of Apcotex Industries Limited.
8. The proxy of a shareholder, blind or incapable of writing, would be accepted if such shareholder has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address: provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the shareholder before he attached his signature or mark.
9. The proxy of a shareholder who does not know English would be accepted if it is executed in the manner prescribed in point no. 8 above and the witness certifies that it was explained to the shareholder in the language known to him, and gives the shareholder's name in English below the signature.

**apcotex industries limited**

Regd. Office :Plot no. 3/1 MIDC Industrial Area, Taloja – 410 208,  
Dist. Raigad, Maharashtra. CIN:L99999MH1986PLC039199,  
Tel. : (022) 2740 3500, Fax: (022) 2741 2052;  
E-mail: redressal@apcotex.com, Website: www.apcotex.com



**ATTENDANCE SLIP**

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL MEETING OF THE EQUITY SHAREHOLDERS ON MONDAY THE 20<sup>TH</sup> DAY OF NOVEMBER 2017 AT 11:30 A.M.**

I/We hereby record my/our presence at the meeting of the Equity Shareholders of Apcotex Industries Limited, convened under the directions of National Company Law Tribunal, Mumbai Bench pursuant to the order dated 22<sup>nd</sup> of September, 2017 passed in Company Scheme Application No. 883 of 2017 held at *Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra on Monday, 20<sup>th</sup> November 2017 at 11:30 a.m.*

Name and Address of the Equity Shareholder:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(If represented by Authorized Representative, details of the same)

No. of Shares: \_\_\_\_\_

DP Id\*: \_\_\_\_\_

Client Id\*: \_\_\_\_\_

Regd. Folio No.: \_\_\_\_\_

Name of the proxy holder/ Authorized representative: \_\_\_\_\_

\* Applicable for shareholder(s) holding shares in dematerialized form.

I further declare that above particulars are true and correct to the best of my knowledge.

Signature: \_\_\_\_\_

Place:

Date:

**Important:**

1. The Shareholder, proxy holder or the Authorized Representative attending this meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled and signed.
2. The Shareholder, proxy holder or the Authorized Representative are requested to bring their copy of notice for reference at the meeting.
3. The Shareholders are requested to hand over the enclosed Attendance slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall.
4. The authorized representative of a body corporate which is a shareholder of Apcotex Industries Limited must bring a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorizing such representative to attend and vote at the said meeting.
5. Equity Shareholders who hold shares in dematerialized form are requested to bring their client ID and DP ID for easy identification of attendance at the meeting.
6. Equity Shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Members of Apcotex Industries Limited in respect of such joint holding will be entitled to vote.

✍