

2nd June, 2017

The Manager,
Listing Department,
National Stock Exchange of India Ltd,
Exchange Plaza,
Plot No. – C – 1, G Block,
Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400051

The General Manager,
Department of Corporate Services,
BSE Ltd.,
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers,
Dalal Street, Fort,
Mumbai – 400001

The Secretary,
The Calcutta Stock Exchange Ltd,
7, Lyons Range,
Kolkata – 700001

Dear Sir,

Sub:- Intimation about the Postal Ballot Notice

Further to our letter dated 25th May, 2017, we enclose in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the Postal Ballot Notice dated 25th May, 2017, together with the Explanatory Statement seeking approval of the public shareholders to the Scheme of Amalgamation between Goodluck Dealcom Private Limited, a wholly owned subsidiary of Phillips Carbon Black Limited (“Transferor Company”) and Phillips Carbon Black Limited (“Transferee Company”). A specimen Postal Ballot Form is also enclosed.

We request you to kindly take the same on record.

Yours faithfully,
For **PHILLIPS CARBON BLACK LIMITED**


K. Mukherjee
Company Secretary & Chief Legal Officer



Phillips Carbon Black Limited

CIN: L23109WB1960PLC024602

Regd. Office: Duncan House, 31, Netaji Subhas Road, Kolkata 700 001,

Tel: (033)-6625-1000/1500/1461-64, Fax: 033-2248-0140

E-mail: pcbl@rp-sg.in, Website: www.pcbltd.com

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POSTAL BALLOT AND E-VOTING NOTICE TO THE EQUITY SHAREHOLDERS OF THE COMPANY

Dear Shareholder(s),

Notice is hereby given that pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations, if any, a resolution seeking approval of shareholders of the Company to a proposed Scheme of Amalgamation between Goodluck Dealcom Private Limited ('Transferor Company'), a wholly owned subsidiary of Phillips Carbon Black Limited and Phillips Carbon Black Limited ('Transferee Company') (hereinafter referred to as the "Scheme of Amalgamation") is proposed to be passed by the Shareholders through postal ballot/electronic voting (E-voting).

Also note that in terms of clause 9 of Annexure I to the Securities and Exchange Board of India ('SEBI') Circular No.CIR/CFD/CMD/16/2015 dated November 30, 2015 ('SEBI Circular'), listed companies are required to take approval of the shareholders to any Scheme of Arrangement through Postal Ballot and e-voting. In terms of the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the public shareholders of Phillips Carbon Black Limited in favour of the proposal are more than the number of votes cast by the public shareholders against the proposal. Further in terms of the SEBI Circular, the promoter and promoter group, subsidiary and associates of the company are not entitled to vote on resolution for approval of the Scheme by Postal Ballot or E-voting.

The Ministry of Corporate Affairs has notified the Sections relevant to the Compromises, Arrangements and Amalgamations of Companies Act, 2013 with effect from December 15, 2016 vide its Notification no. S.O.3677(E) dated December 7, 2016. The Ministry of Corporate Affairs has also issued the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 vide its Notification no. GSR 1134 (E) dated December 14, 2016, which came into force on December 15, 2016. As a result of this, the said Scheme of Arrangement and Amalgamation shall now be governed under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules issued thereunder.

The Board of Directors of the Company, at their meetings held on 5th October, 2016, and 18th January, 2017 respectively have approved the Scheme.

Consequently, on 24th February, 2017, the Transferor Company

has made an application before the Kolkata Bench of the National Company Law Tribunal ("NCLT") for obtaining directions for convening separate meetings of the Equity Shareholders and the Unsecured Creditors of the Transferor Company. The Kolkata Bench of the National Company Law Tribunal has vide its Order dated 18th April, 2017, as amended by an order dated 24th April, 2017 directed the Transferor Company to convene and hold meetings of the Equity Shareholders and Unsecured Creditors of the Transferor Company on Friday, 26th May, 2017 at 3.30 pm and 4.00 p.m. respectively at Emerald House, 1B, Old Post Office Street, (Ground Floor), Kolkata – 700001. In the said Order dated 18th April, 2017, NCLT has mentioned that the Transferee Company i.e, Phillips Carbon Black Limited, has not made any separate application for convening meetings of shareholders and creditors of the Transferee Company for sanction of the said scheme of Amalgamation in as much as the Transferor Company is a wholly owned subsidiary of the Company and the entire shares of the Transferor Company are held by the Transferee Company and/or its nominees and accordingly, no shares will be issued by the Transferee Company under the Scheme.

The Scheme of Amalgamation, Observation letters issued by NSE, BSE and CSE Limited, Complaints Report, Valuation Report of S Jaykishan, Independent Chartered Accountants, Fairness Opinion on the said valuation by VC Corporate Advisors Private Limited, a Merchant Banker, Postal Ballot Form and Business Reply Envelope, are being sent to the Members of the Company.

The Board of Directors of the Company has, in compliance with Rule 22(5) of the Companies (Management and Administration) Rules, 2014, appointed Mr. Anjan Kumar Roy, Company Secretary in Whole Time Practice (Membership No. FCS 5684) as the Scrutinizer for conducting the postal ballot and e-voting process in a fair and transparent manner. Further, the Company has engaged National Securities Depository Limited (NSDL) to provide E-voting facility to the Equity Shareholders of the Company.

You are requested to carefully read the instructions printed on the Postal Ballot Form, record your assent (for) or dissent (against) therein and return the same in original duly completed in the attached self-addressed, business reply envelope (if posted in India) so as to reach the Scrutinizer not later than 5.00 p.m on Wednesday, 5th July, 2017.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny of the Postal Ballots including e-voting. The result of the Postal Ballot including E-voting would be announced by the Chairman of the Meeting within 48 hours of the conclusion of Postal Ballot and E-voting at the

Phillips Carbon Black Limited

Registered Office of the Company at 31, Netaji Subhas Road, Kolkata – 700001. The said results would be displayed at the Registered Office of the Company and intimated to The National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE) and the Calcutta Stock Exchange Limited (CSE), where the Company's shares are listed and also displayed along with the Scrutinizer's report on the Company's website viz. www.pcblltd.com. The date of the declaration of the result of Postal Ballot and E-voting shall be deemed to be the date of passing of said Resolution.

Items of business requiring approval of shareholders through Postal Ballot and E-voting:

ITEM NO. 1

SCHEME OF AMALGAMATION

To consider and if thought fit to pass, with or without modification(s), the Resolution set out below with requisite majority as per SEBI Circular through Postal Ballot or E-Voting:

“RESOLVED THAT pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013 and Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [**“SEBI (LODR) Regulations”**] and the provisions of SEBI Circular No. CIR/CFD/CMD/16/2015, dated 30th November, 2015, and subject to confirmation, permission, sanction and approval of the statutory/regulatory authorities, if any, in this regard and subject to such other conditions or guidelines, if any, as may be prescribed or stipulated by any such authorities, from time to time, while granting such approvals, sanctions, consents, observations, no objections, confirmations, permissions and which may be agreed by the Board of Directors of the Company, the draft “Scheme of Amalgamation of Goodluck Dealcom Private Limited with Phillips Carbon Black Limited” (“Scheme”), providing for amalgamation of Goodluck Dealcom Private Limited (Transferor Company) with Phillips Carbon Black Limited (Transferee Company) with effect from 01.04.2016 (First Day of April, Two Thousand and Sixteen) being the appointed date, as per draft placed at the meeting and initialed by the Chairman for identification be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized, empowered and directed to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to aforesaid resolution and effectively implement the arrangements embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as may be deemed fit and proper”.

This notice of Postal Ballot and e-Voting seeks approval of the Members to the said Scheme. The Scheme of Amalgamation, Explanatory Statement under section 102 read with section 230(3) of the Companies Act, 2013 (to the extent applicable), observation letters from Bombay Stock Exchange Limited,

National Stock Exchange of India Limited, and The Calcutta Stock Exchange Limited, Complaints Report, Valuation Report and Fairness Opinion are attached herewith.

It is clarified that votes cast by Postal Ballot is not permitted through a proxy.

Registered Office :

Duncan House
31, Netaji Subhas Road
Kolkata - 700 001

CIN:L23109WB1960PLC024602 For Phillips Carbon Black Limited

By Order of the Board

Place: Kolkata
Date: 25th May, 2017

Sd/-
Kaushik Mukherjee
(Company Secretary)

Notes:

1. Voting period for Postal Ballot/E-voting will commence from Tuesday, 6th June, 2017 at 9:00 am. and ends on Wednesday, 5th July, 2017 at 5:00 pm.
2. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (to the extent applicable), read with Section 110 and Section 230 (3) of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, stating all material facts, disclosure of interest, if any and reasons there for the proposal is annexed hereto and forms part of this Notice.
3. The Notice is being sent through the Registered Post to those members who have not registered their E-mail IDs with the Company and the Depository Participants and electronically by e-mail to those members who have registered their e-mail IDs with their Depository Participants and with the Company, whose names are to appear in the Register of Members / Record of Depositories as on 26th May, 2017.
4. The Board of Directors has appointed Mr. Anjan Kumar Roy, Company Secretary in Whole Time Practice (Membership No. FCS 5684) as the “Scrutinizer” to conduct the Postal Ballot & E-voting process in a fair and transparent manner.
5. The Postal Ballot Form together with the self-addressed postage pre-paid envelope is enclosed for the use of the members. Please read carefully the instructions printed on the enclosed Postal Ballot Form before exercising your vote and return the Form duly completed, signifying your assent or dissent, in the attached self-addressed, postage prepaid envelope, so as to reach the Scrutinizer within a period of 30 days from the date of dispatch of notice i.e. before the close of working hours (5.00 p.m.) on Wednesday, 5th July, 2017.
6. The Company is pleased to offer e-voting facility as an

alternate, for all its members to enable them to cast their vote electronically instead of dispatching Postal Ballot. In case a member desires to exercise his vote by using e-voting facility then he has to carefully follow the instructions as given in Note No. 20 of the Postal Ballot and E-Voting Notice.

7. Members irrespective of who have registered their e-mail i.d. s for receipt of documents in electronic mode under the green initiative and who wish to vote through Postal Ballot Form can seek Duplicate Form from the Registered Office of the Company and send the same by post to the Registered Office of the Company addressed to the Scrutinizer.
8. In accordance with the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the Public Shareholders (through postal ballot or e-voting) in favour of the aforesaid resolution for approval of Scheme are more than the number of votes cast by the Public Shareholders against it.
9. In case of Joint holding, this form should be completed and signed by the first named member and in his/her absence, by the second named equity member.
10. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent.
11. The soft copy of the Postal Ballot and E-voting Notice and the Postal Ballot Form is also available at the website of the Company i.e. www.pcblltd.com.
12. In accordance with Para I (A) (8) of the Annexure I to the Circular No. CIR/CFD/CMD/16/2015 dated 30th November, 2015, issued by SEBI, the Observation Letters of the Stock Exchanges, Pre and Post Scheme (expected) Capital Structure & Shareholding Pattern, the Fairness Opinion issued by the Merchant Banker, Valuation Report and Complaints Report are disclosed in the Explanatory Statement attached to this Notice. All these documents are also available at the website of the Company at www.pcblltd.com.
13. Members may contact Mr. Kaushik Mukherjee, Company Secretary & Chief Legal Officer of the Company, for any grievances connected with voting by postal ballot including voting by electronic means at the Registered Office of the Company at 31 Netaji Subhas Road Kolkata 700 001, Tel: (033)-6625-1000/1500/1461-64, E-mail Id: pcbll.investor@rp-sg.in.
14. All relevant documents referred to in the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11:00 A.M. to 5.00 P.M. till 5th July, 2017. (i.e. the last date for receiving of Postal Ballots/E-Voting).
15. Pursuant to Sections 108 and 110 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company will be offering e-voting facility to the

members to cast their votes (for or against) electronically on business set forth in this Notice.

16. The Company has appointed National Securities Depository Limited to provide the E-voting facility to the shareholders of the Company to vote electronically. Please read carefully the E-Voting Instructions for casting your vote electronically.
17. The voting rights of members shall be in proportion to their shareholding in the paid up equity share capital of the Company as on 26th May, 2017, being the cut-off date.
18. The members of the Company, holding shares either in physical form or in dematerialized form, as on 26th May, 2017 being the cut-off date, may cast their vote (for or against) electronically.
19. Kindly note that each member can opt for only one mode for voting i.e. either by Postal Ballot or by E-voting. If you opt for E-voting, then please do not vote by Postal Ballot and vice versa. In case Member do cast their vote, via both modes i.e. Postal Ballot as well as E-voting, then voting done through E-voting shall prevail and Postal Ballot of that member shall be treated as invalid.

20. E-Voting Instructions for shareholders for voting electronically:

In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to offer its Members facility to exercise their right to vote in respect of the business to be transacted through e-Voting Services.

The Company has engaged the services of National Securities Depository Limited (NSDL) as the Authorised Agency to provide the facility of casting of votes by using an electronic voting system ("e-voting"). The detailed process, instructions and manner for availing e-voting facility is provided herein below:

- A. The E-voting period begins on Tuesday, 6th June, 2017 at 9:00 am. and ends on Wednesday, 5th July, 2017 at 5:00 pm. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 26th May, 2017 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- B. For those shareholders opting for e-voting, the process and manner of e-voting will be as follows:

In case of Shareholders' receiving e-mail from NSDL

- (i) Open e-mail and open PDF file viz; "remote E-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for E-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following

URL: <https://www.evoting.nsdl.com/>.

- (iii) Click on Shareholder – Login
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select “EVEN” of Phillips Carbon Black Limited
- (viii) Now you are ready for e-Voting as Cast Vote page opens
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at pcbl.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

In case of Shareholders receiving Postal Ballot Form by Post:

Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN (E Voting Event Number)	USER ID	PASSWORD

Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

In case of any queries, you may refer the Frequent Asked Questions (FAQs) for shareholders and e-voting user manual for Shareholders, available at the download section of www.evoting.nsdl.com or call on toll free no 1800-222-990. In case of any grievance related to voting by electronic means, you may please contact Mr. Amit Vishal, Senior Manager, NSDL/Mr. Rajiv Ranjan, Asst. Manager, NSDL at 022 2499 4360/022 2499 4738 and send an e-mail to evoting@nsdl.co.in and amitv@nsdl.co.in / rajivr@nsdl.co.in.

If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, 26th May, 2017

The voting period ends on the close of Wednesday, 5th July,

2017. The e-voting module shall also be disabled by NSDL for voting thereafter.

The Scrutinizer will submit his report to the Chairman/Managing Director of the Company after completion of the scrutiny of the Postal Ballot Forms and E-voting and the results of the Postal Ballot and E-voting will be announced at the Registered Office of the Company situated at 31, Netaji Subhas Road, Kolkata - 700001 on 6th July, 2017. The result of the Postal Ballot will also be displayed at the Registered Office of the Company at 31, Netaji Subhas Road, Kolkata - 700001 and posted on the Company's website at www.pcbltd.com and communicated to the stock exchanges where the Company's shares are listed. In the event, the draft resolution is assented to by the requisite majority of Shareholders by means of Postal Ballot and E-voting, the date of declaration of results of Postal Ballot and E-voting shall be deemed to be the date of passing of the said resolution.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

1. A Scheme of Amalgamation between Phillips Carbon Black Limited (Transferee Company) and Goodluck Dealcom Private Limited (Transferor Company) and their respective Shareholders, has been proposed and approved by the Board of Directors of the Transferee Company at its meetings held on October 05, 2016 and January 18, 2017 respectively.
2. In terms of clause 9 of Annexure I to the Securities and Exchange Board of India ('SEBI') Circular No.CIR/CFD/CMD/16/2015 dated, November 30, 2015 ('SEBI Circular') the Company is required to take the approval of the equity shareholders to the Scheme of Amalgamation through Postal Ballot and E-voting. Accordingly, this Postal Ballot and E-voting notice is given in terms of the aforesaid SEBI Circular for obtaining the approval of the Shareholders to the proposed scheme of Amalgamation by passing the resolution enumerated herein by way of Postal Ballot and E-voting.
3. The Scheme of Amalgamation, if approved by the Equity Shareholders, shall be operative from the Appointed Date.
4. The Scheme of Amalgamation shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.
5. The Promoters and the Promoter Group shall not vote on this Resolution.
6. The Public Shareholders i.e, shareholders who do not form part of the Promoters and the Promoter Group are entitled to vote on this resolution.

Particulars of the Transferor Company

1. The Transferor Company was incorporated on the 22nd day of May, 2010 under the provisions of the Companies Act, 1956 as a private company limited by shares. There has been no change in the name of the Transferor Company in the last five (5) years. The Corporate Identification Number of the Transferor Company is U51909WB2010PTC149077. The Permanent Account Number of the Transferor Company is AADCG8063F

Phillips Carbon Black Limited

2. The Registered Office of Transferor Company is situated at 31, Netaji Subhas Road, Kolkata- 700001. There has been no change in the registered office address of the Transferor Company in last five (5) years. The e-mail address of the Transferor Company is rpsg.secretarial@rp-sg.in.

3. The objects for which Transferor Company has been established are set out in its Memorandum of Association. Some of the relevant objects of Transferor Company are, inter alia, as follows:

“III. (A) 2. To carry on the business of investment and trading in properties and to purchase for investments or resale land and house and other property of any tenure and any interest and to acquire, sell, transfer, subscribe or hold and otherwise deal in any gold, silver, bullion, shares, bonds, stocks, hundies, promisory notes and other negotiable instruments, obligations issued or guaranteed by any company or companies constituted and carrying on business in India or elsewhere and to subscribe to the capital of industrial undertakings, and to undertake any business or transaction or operation and to advance and lend to any undertakings and purchase, sell rent lease or license to any persons freehold or other house property, building or lands or any share of interest therein, and to transact on commission or otherwise the general business or land agents and to undertake consultancy in sphere of real estate and construction.”

Clause (B) (20) of Object Clause III of the Memorandum of Association of the Transferor Company, which contains provision for amalgamation is reproduced herein below:

“(B) 20. Subject to the provisions of the Companies Act, 1956 or any re-enactment thereof for the time being in force to amalgamate with company(s) or to enter into partnership or into any arrangement for sharing profits, union of interest, co-operation, joint venture or reciprocal concession with any person or persons, company or companies, carrying on or engaged, in or about to carry on or engage, in or being authorized to carry on or engage in any business or transaction which company is authorized to carry on or engage in or which can be carried on or in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the company.”

There has been no change in the object clause of the Transferor Company in the last 5 years.

4. The Transferor Company is presently holding shares and securities in group companies.

5. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferor Company as on 31st March, 2016 was as follows:

	Amount in Rupees
A. Authorised Share Capital	
1,20,00,000 Equity shares of Rs. 10 each	12,00,00,000
Total	12,00,00,000

B. Issued, Subscribed and Fully Paid Up Share Capital

83,90,000 Equity shares of Rs. 10 each fully paid up	8,39,00,000
Total	8,39,00,000

6. Subsequent to 31st March 2016, there has not been any change in the Authorised, Issued or Paid up Share Capital of the Transferor Company.

Particulars of the Transferee Company

7. The Transferee Company was incorporated on 31st March, 1960 as a public company limited by shares under the provisions of the Companies Act, 1956. There has been no change in the name of the Transferee Company in the last five (5) years. The Corporate Identification Number of the Transferee Company is L23109WB1960PLC024602. The Permanent Account Number of the Transferee Company is AABCP5762E The shares of the Transferee Company are listed on National Stock Exchange of India Ltd., Bombay Stock Exchange Limited and The Calcutta Stock Exchange Ltd.

8. The Registered Office of the Transferee Company is situated at 31, Netaji Subhas Road, Kolkata 700 001. There has been no change in the registered office address of the Transferee Company in last five (5) years. The e-mail address of the Transferee Company is pcb1@rp-sg.in.

9. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. Some of the relevant objects of the Transferee Company are as follows:

“3. (1). To carry on the business of manufacturers of carbon black, chemicals, chemical products, distillers, refinery operations, compounders synthesis, analyst, physicists, reactor operator, gas producers and consumers, manufacturers of plastics, practitioners of all forms of organic and inorganic chemistry, prospectors, drillers, miners, buy, sell, import, export and deal in all forms of chemical, petroleum, petrochemicals, gas, col, carbon, plastics, other chemical and chemical products and material of all kinds and to carry on the trades or business of factory, refinery, distillery and plant owners generally of any description not hereinabove included, importers, exporters, factors, agents, sellers, dealers in all or any chemical substances manufactured or unmanufactured.”

Clause (23) of Object Clause 3 of the Memorandum of Association of the Transferee Company, which contains provision for amalgamation is reproduced herein below:

“(23) To amalgamate with any other company or to enter into any arrangement for sharing profits or into any union of interests, joint adventure, reciprocal concession or co-operation with any person or persons or company or companies carrying on or engaged in, or about to carry on or engage in, or being authorized to carry on or engage in, any business or transaction which this company is authorized to carry on or engage

in or any business or transaction capable of being conducted so as directly or indirectly to benefit this company.”

There has been no change in the object clause of the Transferee Company in the last 5 years.

10. The Transferee Company is engaged in the business of manufacture and sale of carbon black, chemicals and other chemical products.
11. The Transferee Company holds the entire paid up share capital of the Transferor Company. As such, the Transferee Company is the holding company of the Transferor Company.
12. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferee Company as on 31st March 2016 was as follows:

	Amount in INR
A. Authorised Share Capital	
5,00,00,000 Equity shares of Rs. 10 each	50,00,00,000
Total	50,00,00,000
B. Issued, Subscribed and Fully Paid Up Share Capital	
3,44,67,572 Equity shares of Rs. 10 each fully paid up	34,46,75,720
Allotment money receivable	42,000
Total	34,46,73,720

13. Subsequent to 31st March 2016, there has not been any change in the Authorised, Issued or Paid up Share Capital of the Transferee Company.

Description and Rationale for the Scheme

14. The Scheme provides for merger of the Transferor Company with the Transferee Company. The proposal is to be implemented in terms of the Scheme under Sections 230 - 232 of the Act.
15. The rationale for the Scheme is as under:
 - (a) The entire shares of the Transferor Company are held by the Transferee Company and/or its nominees.
 - (b) The Scheme has been envisaged in order to integrate and consolidate the businesses of the Transferor Company and the Transferee Company in a single entity and consolidate resources and assets of all the companies for optimal deployment and enhanced overall efficiencies.
 - (c) The proposed Scheme will result in administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources of the companies concerned and formation of a larger and stronger company having greater capacity for conducting its operations and business more effectively and efficiently.

- (d) The merger will result in better and efficient management, control and running of the businesses, attain operational efficiencies, cost competitiveness and create synergies and capitalize on the growth opportunities to the fullest extent.
- (e) The said Scheme will result in formation of a larger company with larger resources and financial base resulting in optimum growth and development of the businesses of the companies concerned and exploitation of the potential thereof. The said Scheme will enable the undertakings and businesses of both the companies concerned to obtain greater facilities possessed and enjoyed by one large company compared to a number of small companies for raising capital, securing and conducting trade on favourable terms and other benefits. The Transferee Company would be able to better leverage on its large net worth and financial and capital base and have enhanced businesses potential and increased capability to offer a wider portfolio of products and services with a diversified resource base and deeper client relationships.
- (f) The merger will improve and consolidate internal controls and functional integration at various levels of the organisation such as information technology, human resources, finance, legal and general management leading to an efficient organisation capable of responding swiftly to volatile and rapidly changing market scenarios.
- (g) The merger will enable seamless access to strong corporate relationships and other intangible benefits to the companies concerned built up over decades of experience, enhanced scale of operations and sharper focus and ultimately improve returns to create long term sustainable value for all stakeholders.
- (h) The Scheme is for the benefit of its shareholders, employees and all stakeholders.

16. **Corporate Approvals** : The proposed Scheme has been approved by the Board of Directors of the Transferor Company at its meeting held on 5th October, 2016. All the Directors present voted in favour of the Scheme. None of the directors attending the meeting voted against the Scheme.
17. The proposed Scheme has been approved by the Board of Directors of the Transferee Company at its meetings held on 5th October, 2016 and 18th January, 2017. All the Directors present voted in favour of the Scheme. None of the directors attending the meeting voted against the Scheme. Mr. K S B Sanyal did not attend the meeting held on 5th October, 2016.

Approvals and actions taken in relation to the Scheme

18. The Transferor Company will obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities, if so required.
19. The Scheme was filed by the Transferor Company with the NCLT, Kolkata Bench on 24th February, 2017.

Salient extracts of the Scheme

20. The salient extracts of the Scheme are as under:

DEFINITIONS

- A. "1956 Act" means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications, amendments made thereto;
- B. "2013 Act" means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications, amendments made thereto and/or any re-enactment thereof;
- C. "Appointed Date" means 1 April 2016.
- D. "Undertaking" means and includes the entire business of the Transferor Company as a going concern, including, without limitation:
- (a) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) whether or not recorded in the books of accounts of the Transferor Company, including, without limitation, investments of all kinds (i.e. shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates) including furniture, fixtures, office equipment, computers, fixed assets, current assets, cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and where-so-ever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
 - (b) all permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto including licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
 - (c) all contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature to which the Transferor Company are parties, including lease agreements, leave and license agreements, tenancy rights, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements/contracts with the supplier of goods and/or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature to which the Transferor Company is party;
 - (d) all intellectual property rights (including intangible assets and business or commercial rights), registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, including applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names, used by or held for use by the Transferor Company, whether or not recorded in the books of accounts of the Transferor Company, and other intellectual rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of the Transferor Company, whether used or held for use by it;
 - (e) all liabilities, lien or security thereon, whether in Indian rupees or foreign currency and whether or not provided for in the books of account or disclosed in the balance sheet of the Transferor Company; and
 - (f) any and all permanent employees, who are on the payrolls of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Transferor Company, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company.
- E. "Effective Date" means such date as the Companies mutually agree being a date or the last of the dates or post the last of the dates on which all the conditions and matters referred to in clause 4 of Chapter 3 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme.
- F. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Transferor Company shall, pursuant to the sanction of the Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the

2013 Act, as applicable, will be and shall stand transferred to and vested in and/or be deemed to have been transferred to and vested in Transferee Company, as a going concern, in accordance with Section 2(1B) of the Income Tax Act without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, part of the Transferee Company by virtue of and in the manner provided in the Scheme.

G. Without prejudice to the generality of Clause F, upon the coming into effect of the Scheme and with effect from the Appointed Date:

- a) all the estate, assets (including intangible assets), properties, investments of all kinds (that is, shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), rights, claims, title, interest and authorities including accretions and appurtenances, whether or not provided and/or recorded in the books of accounts of the Transferor Company, comprised in the Undertaking of whatsoever nature and where-so-ever situated shall, under the provisions of Sections 391 to 394 of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern so as to become, as and from the Appointed Date, the estate, assets (including intangible assets), properties, investments of all kinds (that is, shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), rights, claims, title, interest and authorities including accretions and appurtenances of the Transferee Company.
- b) such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery shall, under the provisions of Sections 391 to 394 of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in the Transferee Company and/or be deemed to stand transferred to the Transferee Company as a part of the transfer of the Undertaking as a going concern so as to become from the Appointed Date, the assets and properties of the Transferee Company. The vesting, pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- c) all other movable properties of the Transferor Company, including investments of all kinds (that is, shares,

scrips, stocks, bonds, debenture stocks, units or pass through certificates), sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, deposits with any Government, quasi government, local or other authority or body or with any company or other person shall, under the provisions of Sections 391 to 394 of the 1956 Act, and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or deemed to have been transferred to and vested in the Transferee Company, by way of delivery of possession of the respective documents, as applicable, as a part of the transfer of the Undertaking as a going concern, so as to become from the Appointed Date, the assets and properties of the Transferee Company.

- d) The Transferee Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor that pursuant to the sanction of this Scheme by the High Court, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize all such debts (including the debts payable by such debtor or obligor to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Transferor Company and all the rights, title and interest of the Transferor Company in any licensed properties or leasehold properties shall, pursuant to Section 394(2) of the 1956 Act or any provision of the 2013 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.
- e) all lease/license or rent agreements entered into by the Transferor Company with various landlords, owners and lessors in connection with the use of the assets of the Transferor Company, together with security deposits and advance/prepaid lease/license fee, etc., shall stand transferred and vested in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent or lease or license fee as provided for in such agreements and the Transferee Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants there-under. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company.

- f) All permissions, approvals, consents, subsidies, incentives, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, if any, shall, under the provisions of Sections 391 to 394 of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same be and stand transferred to and vest in and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions. It is further clarified that they shall be deemed to have originally been given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof and the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- g) All intellectual property rights of any nature whatsoever, including but not limited to intangible assets appertaining to the Transferor Company, whether or not provided in books of accounts of the Transferor Company, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Transferee Company.
- h) All intangible assets, if any, including various business or commercial rights etc. belonging to but not recorded in books of the Transferor Company shall be accounted for as per applicable Accounting Standards.
- i) All taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, minimum alternate tax credits, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, excise duty, etc.) payable by or refundable to or being the entitlement of the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, tax holidays, remissions, reductions, etc as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. Benefit of tax losses including brought forward business loss, unabsorbed depreciation, etc., up to Appointed Date, shall be available to Transferee Company w.e.f. the Appointed Date in terms of section 72A of Income Tax Act.
- j) The Transferee Company shall be entitled to claim refunds or credits, including Input Tax Credits, with respect to taxes paid by, for, or on behalf of, the Transferor Company under applicable laws, including but not limited to sales tax, value added tax, service tax, excise duty or any other tax, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed. For the avoidance of doubt, Input Tax Credits already availed of or utilized by the Transferor Company and the Transferee Company in respect of inter se transactions shall not be adversely impacted by the cancellation of inter se transactions pursuant to this Scheme.
- k) All statutory rights and obligations of Transferor Company would vest on/accrue to Transferee Company. Hence, obligation of the Transferor Company, prior to the Effective Date, to issue or receive any statutory declaration or any other Forms by whatever name called, under the State VAT Acts or the Central Sales Tax Act or any other act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Transferee Company and if any Form relating to the period prior to the said Effective Date is received in the name of the Transferor Company, it would be deemed to have been received by the Transferee Company in fulfillment of its obligations.
- l) Benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a part of the transfer of the Transferee Company as a going concern, and the said corporate approvals and compliances shall be deemed to have originally been taken / complied with by the Transferee Company.

- m) The resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the 1956 Act or the 2013 Act as applicable, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.
- n) Such of the assets which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the assets of the Transferee Company.
- H. Without prejudice to the generality of Clause F, upon the coming into effect of this Scheme and with effect from the Appointed Date,
- (a) All liabilities, whether or not provided in the books of the Transferor Company, shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same.
- (b) All liabilities which are incurred or which arise or accrue to the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date, the Transferee Company shall meet, discharge and satisfy the same.
- (c) Any liabilities of the Transferor Company as on the Appointed Date that are discharged by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to have been discharged for and on account of the Transferee Company.
- (d) All loans raised and utilized, liabilities, duties and taxes and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date but prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date, the Transferee Company shall meet, discharge and satisfy the same.
- (e) All loans, advances and other obligations (including any 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 the Transferor Company and the Transferee Company shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.
- (f) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the liabilities shall, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, continue to relate and attach to such assets or any part thereof to which they were related or attached

prior to the Effective Date and are transferred to the Transferee Company. It is being clarified that the aforesaid encumbrances shall not be extended to any assets of the Transferor Company which were earlier not Encumbered or the existing assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company pursuant to this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

- I. All contracts, deeds, bonds, agreements, arrangements, licenses, engagements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.
- J. Upon the coming into effect of this Scheme, all permanent employees, who are on the payrolls of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Transferor Company who are on its payrolls shall become employees of the Transferee Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.
- K. All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Transferor Company shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking or anything contained in this Scheme but the said proceedings, shall, till the Effective

Date be continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made. Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

- L. Upon the Scheme coming into effect, the shares held by the Transferee Company in the share capital of the Transferor Company will stand cancelled and there will be no issuance of shares by the Transferee Company.
- M. An account shall be taken of the assets and liabilities of the Transferor Company to be transferred to the Transferee Company under this Scheme as on a date immediately preceding the Appointed Date. The Scheme of Amalgamation will be accounted for by the Transferee Company in conformity with the applicable accounting standards.
 - a) The identity of the reserves of Transferor Company shall be preserved/aggregated and shall appear in the financial statements of the Transferee Company under the same head in which they appeared in the financial statements of the Transferor Company.
 - b) The balance of the retained earnings appearing in the financial statements of the Transferor Company is aggregated with the corresponding balance appearing in the financial statements of the Transferee Company. Alternatively, it is transferred to General Reserve, if any.

The equity shares held by the Transferee Company in the Transferor Company appearing in the books of accounts of the Transferor Company shall stand cancelled in terms of Clause L and there shall be no further obligation in that behalf.

To the extent that there are inter-company loans, advances, deposits, balances unpaid dividend or other obligations as amongst the Transferor Company and the Transferee Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company as well as Transferor Company for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

- N. Upon the coming into effect of the Scheme, the Transferor Company shall, without any further act, instrument or deed, stand dissolved without winding-up.
- O. As an integral part of the Scheme, upon this Scheme becoming effective and with effect from Appointed Date, the authorised share capital of the Transferor Company as on the Effective Date shall, without any further act, instrument or deed or payment of additional fees payable to the Registrar of Companies or stamp duty, stand transferred to and be merged with the authorized share capital of the Transferee Company.

- P. Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 13 of the 2013 Act and other applicable provisions of the 2013 Act, as the case may be and be replaced by the following clause:

“The Authorised Share Capital of the Company is Rs 62,00,00,000 (Rupees Sixty two Crores only) divided into 6,20,00,000 (Six Crores Twenty Lacs) Equity Shares of Rs 10/- (Rupees Ten only) each, with rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company. The Company shall have the power to increase or reduce its capital for the time being and to consolidate, divide or sub-divide and re-classify the shares in such capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as to dividend, voting or otherwise and to vary, modify or abrogate any such rights, privileges or conditions in accordance with the provisions of the Act and Articles of the Company and issue Shares of higher or lower denominations.”

- Q. It is further clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval for the increase of the authorized capital, amendment of the capital clause of the Memorandum of Association, under the provisions of Section 13 of the 2013 Act and other applicable provisions of the 2013 Act.
- R. It is clarified that the approval of the members of the Transferee Company to this Scheme shall be deemed to be their consent/ approval also to the consequential alteration of the Memorandum of Association of the Transferee Company and the Transferee Company shall not be required to seek separate consent/ approval of its shareholders for such alteration of the Memorandum of Association as required under Sections 13, 14, 61, 62 and 64 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the applicable provision of the Companies Act, 1956.
- S. The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/or final, to their members in respect of the accounting period prior to the Effective Date.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the salient extracts thereof.

Other matters

21. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. The certificate issued by M/s. Price Waterhouse, Chartered Accountants is open for inspection.
22. Under the Scheme, there is no arrangement with the creditors, either secured or unsecured of the Transferor Company except to the extent that upon the effectiveness of Part II of the Scheme, the creditors belonging to the Undertaking of the Transferor Company shall become the creditors of the Transferee Company in the manner as provided in the Scheme. No compromise is offered under the Scheme to any of the creditors of the Transferor Company. The liability of the creditors of the Transferor Company, under the Scheme, is neither being reduced nor being extinguished. The creditors of the Transferor Company would in no way be affected by the present Scheme.
23. As on date, the Transferor Company has no outstanding towards any public deposits and therefore, the effect of the Scheme on any such public deposit holders does not arise.
24. Under the Scheme, on and from the Effective Date, the Transferee Company undertakes to engage all the Employees of the Transferor Company pertaining to the Transferor Undertaking on the same terms and conditions on which they are engaged by the Transferor Company without any interruption of service and in the manner provided thereunder. In the circumstances, the rights of the Employees of the Transferor Company would in no way be affected by the Scheme.
25. The key managerial personnel of the Transferor Company shall be the Employees of the Transferee Company. Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Transferor Company and/or to the extent that the said Director(s) are common director(s) of the Transferor Company or the Transferee Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme. None of the directors are common to the transferor company and the transferee company involved in the proposed Scheme of Amalgamation. Further, none of the directors or KMPs of the transferor company or the transferee company are holding any shares in the Transferor company or the transferee company.
26. No investigation proceedings have been instituted or are pending in relation to the Transferor Company or the Transferee Company under Sections 210 to 229 of Chapter XIV of the Act or under the corresponding provisions of the Act of 1956. Further, no proceedings are pending under the Act or under the corresponding provisions of the Act of 1956 against the Transferor Company or the Transferee Company.
27. To the knowledge of the Transferor Company, no winding up proceedings have been filed or are pending against them under the Act or the corresponding provisions of the Act of 1956.
28. As on 31st March, 2017, the Transferor Company had 3 Unsecured Creditors having total claim of Rs. 61,27,00,000/. As on the said date, the Transferor Company did not have any Secured Creditors.
29. In as much as the Transferor Company is a wholly owned subsidiary of the Transferee Company, the shares held by the Transferee Company in the share capital of the Transferor Company will be cancelled under the Scheme and there will not be any issuance of shares under the Scheme. As such, valuation report is not required.
30. The name and addresses of the promoters of the Transferor Company including their shareholding in the Transferor

Phillips Carbon Black Limited

Company and Transferee Company as on 31.03.2017 are as under:

Sl. No.	Promoters of Transferor Company	Address	Shareholding in Transferor Co. as on 31.03.2017	Shareholding in Transferee Co. as on 31.03.2017
1.	Phillips Carbon Black Limited	31, N.S. Road Kolkata-700001	8389999	Nil
2.	Anita Lahoti & Phillips Carbon Black Limited	31, N.S. Road Kolkata-700001	1	Nil
			83,90,000	

31. The name and addresses of the promoters of the Transferee Company including their shareholding in the Transferor Company and the Transferee Company as on 31.03.2017 are as under:

Sl. No.	Promoters of Transferee Company	Address	Shareholding in Transferee Company as on 31.03.2017	Shareholding in Transferor Company as on 31.03.2017
1.	Rainbow Investments Limited	31, N.S. Road Kolkata-700001	17303074	Nil
2.	Dotex Merchandise Pvt Ltd.	Akashdeep 5 Lower Rawdon Street, Flat No. 3 4th Floor Kolkata -700020	1068000	Nil
3.	STEL Holdings Limited	24/1624, Bristow Road, Willingdon Island, Cochin-682003	90383	Nil
4.	SAREGAMA	33, Jessore Road Dum Dum Kolkata-700028	100	Nil
		Total	18461557	

32. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferor Company as on 31.03.2017 are as follows:

Sl. No.	Name	Designation	Shareholding
1.	Mr. H. Toshniwal	Director	Nil
2.	Mr. L. K. Chandalia	Director	Nil
3.	Mr. Hemant Goenka	Director	Nil
4.	Mr. R. C. Kurup	Company Secretary	Nil

33. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferee Company as on 31.03.2017 are as follows:

Sl. No.	Name	Designation	Shareholding
1.	Mr. Sanjiv Goenka	Non – Executive Director (Chairman)	Nil
2.	Mr. Kaushik Roy	Managing Director	Nil

Sl. No.	Name	Designation	Shareholding
3.	Mr. Shashwat Goenka	Non – Executive Director	Nil
4.	Mr. Chittaranjan Paul	Non – Executive & Independent Director	Nil
5.	Mr. Om Parkash Malhotra	Non – Executive & Independent Director	Nil
6.	Mr. Kanwar Satya Brata Sanyal	Non – Executive & Independent Director	Nil
7.	Mr. Paras Kumar Chowdhary	Non – Executive & Independent Director	Nil
8.	Mr. Pradip Roy	Non – Executive & Independent Director	Nil
9.	Mrs. Kusum Dadoo	Non – Executive & Independent Director	Nil
10.	Mr. Kaushik Mukherjee	Company Secretary & Chief Legal Officer	Nil
11.	Mr. Raj Kumar Gupta	Chief Financial Officer	Nil

7. Complaints Report-

PART-A

Sl. No.	Particulars Number	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchange	Nil
3.	Total number of complaints/ comments received (1 + 2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

PART-B

Sl. No.	Name of the Complainant	Date of Complaint	Status (Resolved/Pending)
			N.A.

8. Fairness Opinion from Merchant Banker:

The Company has obtained a Fairness Opinion dated 05, October 2016, from VC Corporate Advisors Private Limited, Merchant Banker. The Fairness Opinion given by the Merchant Banker is annexed to this explanatory statement.

9. No-Objection / Observation Letters from the Stock Exchanges:

The National Stock Exchange of India Limited has issued its Observation Letter to the Scheme dated 02.01.2017, the Bombay Stock Exchange Limited and the The Calcutta Stock Exchange Limited has issued their Observations letters on 03.01.2017. The Observation Letters given by the Stock Exchanges are annexed to this explanatory statement.

Phillips Carbon Black Limited

10. Pre and Post Amalgamation Shareholding Pattern

Category of Shareholder	Pre-Amalgamation		Post-Amalgamation**	
	No of Shares	%	No of Shares	%
Promoter	1,84,61,557	53.562	1,84,61,557	53.562
Public	29,89,375	8.673	29,89,375	8.673
Non-Promoter Non -Public	1,30,16,640	37.765	1,30,16,640	37.76
Total	3,44,67,572	100	3,44,67,572	100

** Since GDPL (transferor company) being a wholly owned subsidiary of PCBL (transferee company), the shareholding pattern of PCBL shall remain same post amalgamation.

11. Capital Structure Pre and Post Amalgamation of the Transferee Company:

Particulars	Pre-Amalgamation		Post-Amalgamation	
	No of Shares	Amount	No of Shares	Amount
Authorized Share Capital	50,00,00,00	5,00,00,000	62,00,00,00	62,00,00,000
Issued, Subscribed and Paid-Up Share Capital				
Equity Shares of Rs. 10 each, fully paid-up	3,44,67,572	34,46,75,720	3,44,67,572	34,46,75,720
Allotment money receivable	—	42,000	—	42,000
Total Issued, Subscribed and Paid-up Share Capital	34,46,73,72	34,46,73,720	34,46,73,72	34,46,73,720

12. Inspection by the Equity Shareholders of the Transferee Company, of the following documents is allowed at the Registered Office of the Company between 11:00 am to 5:00 pm on all working days till Wednesday, 5th July, 2017 (except on Sundays and Public holidays):

1. Resolution passed by the Directors of the Committee Meeting of PBCL and GDPL approving the Scheme of Amalgamation.
1. Copy of the Observation Letter dated 02.01.2017 issued by the National Stock Exchange of India Limited and Observation letters dated 03.01.2017 issued by Bombay

Stock Exchange Limited and The Calcutta Stock Exchange Limited respectively.

1. Copy of the Complaints Report dated 11.11.2016 filed with the National Stock Exchange of India Limited, Bombay Stock Exchange Limited and The Calcutta Stock Exchange Limited.
1. Fairness Opinion dated 05 October, 2016 issued by VC Corporate Advisors Private Limited.
1. Memorandum and Articles of Association of Transferee Company and Transferor Company.
1. Audited Balance Sheet and Profit and Loss account of the Transferee Company and Transferor Company for the financial year ended 31.03.2016.
1. Register of Directors' shareholdings of the Transferee Company and Transferor Company.

A copy of the Scheme, Explanatory Statement and Ballot Forms may be obtained from the Registered Office of the Transferee Company.

Registered Office :

Duncan House
31, Netaji Subhas Road
Kolkata - 700 001

CIN:L23109WB1960PLC024602 For Phillips Carbon Black Limited

Place: Kolkata
Date: 25th May, 2017

By Order of the Board

Sd/-
Kaushik Mukherjee
(Company Secretary)

Enclosed:

1. Draft Scheme of Amalgamation.
2. Observation Letters from BSE, NSE and CSE
3. Complaint Report.
4. Valuation Report
5. Fairness Opinion.

SCHEME OF AMALGAMATION
(UNDER SECTIONS 391 TO 394 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 1956 AND COMPANIES ACT, 2013)

BETWEEN

GOODLUCK DEALCOM PRIVATE LIMITED

AND

PHILLIPS CARBON BLACK LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

CHAPTER 1 – GENERAL DEFINITIONS & INTERPRETATIONS

1. DEFINITIONS

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

“**1956 Act**” means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications, amendments made thereto;

“**2013 Act**” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications, amendments made thereto and/or any re-enactment thereof;

“**Amalgamation**” means amalgamation of Transferor Company with Transferee Company in accordance with Section 2(1B) of the Income Tax Act, 1961, in terms of Chapter 2 of the Scheme;

“**Appointed Date**” means 1 April 2016, or such other date as may be determined by the Board of Directors of the Transferor Company or the Transferee Company or directed by the High Court;

“**Audit Committee**” means the audit committee of the Transferee Company, as constituted from time to time;

“**Board of Directors**” or “**Board**” in relation to each of the Companies, as the case may be, means the board of directors of such company;

“**Effective Date**” means such date as the Companies mutually agree being a date or the last of the dates or post the last of the dates on which all the conditions and matters referred to in clause 4 of Chapter 3 of the Scheme occur or have been fulfilled or waived in accordance with

this Scheme;

“**Governmental Authority**” means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body, statutory body or stock exchange, including but not limited to the Reserve Bank of India (“**RBI**”) and the Securities and Exchange Board of India (“**SEBI**”), or any other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law;

“**High Court**” means the High Court of Judicature at Calcutta having jurisdiction in relation to the Companies and shall include the National Company Law Tribunal, as applicable or such other forum or authority as may be vested with any of the powers of a High Court under the 2013 Act;

“**Income Tax Act**” means the Income Tax Act, 1961, including any statutory modifications, re-enactments or amendments thereof for the time being in force;

“**Registrar of Companies**” means the Registrar of Companies, Kolkata;

“**Scheme**”, “**the Scheme**”, “**this Scheme**” means this Scheme of Amalgamation, pursuant to Sections 391 to 394 of the 1956 Act, or the 2013 Act, upon the same becoming effective (along with any annexures, schedules, etc., attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals including approvals of the

shareholders, as applicable, and sanction from the High Court under the 1956 Act or 2013 Act, as applicable, and under all applicable laws;

“**SEBI Circular**” means the circular number CIR/CFD/CMD/16/2015 dated November 30, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued by the Securities and Exchange Board of India and any related and amended circulars that SEBI may issue in respect of schemes of arrangement;

“**Transferee Company**” means Phillips Carbon Black Limited (having CIN L23109WB1960PLC024602), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 31, Netaji Subhas Road, Kolkata 700 001;

“**Transferor Company**” means Goodluck Dealcom Private Limited (having CIN U51909WB2010PTC149077), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 31, Netaji Subhas Road, Kolkata 700 001;

“**Undertaking**” means and includes the entire business of the Transferor Company as a going concern, including, without limitation:

- (a) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) whether or not recorded in the books of accounts of the Transferor Company, including, without limitation, investments of all kinds (i.e. shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates) including furniture, fixtures, office equipment, computers, fixed assets, current assets, cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, vehicles, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and where-so-ever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
- (b) all permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto including licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- (c) all contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature to which the Transferor Company are parties, including lease agreements, leave and license agreements, tenancy rights, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements/contracts with the supplier of goods and/or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature to which the Transferor Company is party;
- (d) all intellectual property rights (including intangible assets and business or commercial rights), registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, including applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names, used by or held for use by the Transferor Company, whether or not recorded in the books of accounts of the Transferor Company, and other intellectual rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of the Transferor Company, whether used or held for use by it;
- (e) all liabilities, lien or security thereon, whether in Indian rupees or foreign currency and whether or not provided for in the books of account or disclosed in the balance sheet of the Transferor Company; and
- (f) any and all permanent employees, who are on the payrolls of the Transferor Company, employees/

personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Transferor Company, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company.

2. INTERPRETATIONS

- 2.1 All terms and words used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the 1956 Act or the 2013 Act, as applicable, the Income Tax Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), 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 for the time being in force.
- 2.2 References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.
- 2.3 The headings herein shall not affect the construction of this Scheme.
- 2.4 The singular shall include the plural and vice versa; and references to one gender include all genders.
- 2.5 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 2.6 References to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
- 2.7 References to any of the terms taxes, duty, levy, cess in the Scheme shall be construed as reference to all of them whether jointly or severally.
- 2.8 Any reference to any statute or statutory provision shall include:
- (a) All subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
 - (b) Such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

3. SHARE CAPITAL

3.1 The Transferor Company

The share capital structure of the Transferor Company is as under:

A. Authorised Share Capital	Amount in Rupees
1,20,00,000 Equity shares of Rs. 10 each	12,00,00,000
Total	12,00,00,000
B. Issued, Subscribed and	Amount in Rupees
Fully Paid Up Share Capital	8,39,00,000
83,90,000 Equity shares of Rs. 10 each fully paid up	
Total	8,39,00,000

3.2 The Transferee Company

The share capital structure of the Transferee Company is as under:

A. Authorised Share Capital	Amount in IN
5,00,00,000 Equity Shares of Rs. 10 each	50,00,00,000
Total	50,00,00,000
B. Issued, Subscribed and Fully Paid Up Share Capital	Amount in INR
3,44,67,572 Equity shares of Rs. 10 each fully paid up	34,46,75,720
Allotment money receivable	42,000
Total	34,46,73,720

4. OBJECTS OF THE SCHEME:

- 4.1 The Transferor Company is the wholly owned subsidiary of the Transferee Company. The registered offices of both, the Transferor Company and the Transferee Company are situated at the same place.
- 4.2 The amalgamation would result in more effective utilization of resources of both the Transferor Company and the Transferee Company, including pooling of financial resources of the Transferor Company with the Transferee Company, leading to more effective and centralised management of funds, greater economies of scale and reduction of administrative and manpower expenses and overheads, which are presently being multiplied, being separate entities.
- 4.3 For the better and more economic and efficient management, control and running of the businesses of the companies concerned and for the reasons as above, it is considered desirable and expedient to amalgamate the Transferor Company with the Transferee Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation.

**CHAPTER 2 – AMALGAMATION OF
TRANSFEROR COMPANY WITH TRANSFEREE
COMPANY**

1. TRANSFER OF UNDERTAKING:

1.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Transferor Company shall, pursuant to the sanction of the Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, will be and shall stand transferred to and vested in and/or be deemed to have been transferred to and vested in Transferee Company, as a going concern, in accordance with Section 2(1B) of the Income Tax Act without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, part of the Transferee Company by virtue of and in the manner provided in this Chapter.

1.2 Without prejudice to the generality of Clause 1.1 above, upon the coming into effect of the Scheme and with effect from the Appointed Date:

- a) all the estate, assets (including intangible assets), properties, investments of all kinds (that is, shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), rights, claims, title, interest and authorities including accretions and appurtenances, whether or not provided and/or recorded in the books of accounts of the Transferor Company, comprised in the Undertaking of whatsoever nature and where-so-ever situated shall, under the provisions of Sections 391 to 394 of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern so as to become, as and from the Appointed Date, the estate, assets (including intangible assets), properties, investments of all kinds (that is, shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), rights, claims, title, interest and authorities including accretions and appurtenances of the Transferee Company.
- b) such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery shall, under the provisions of Sections 391 to 394 of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in the Transferee Company and/or be deemed to stand transferred to the Transferee Company as a part of the transfer of the Undertaking as a going

concern so as to become from the Appointed Date, the assets and properties of the Transferee Company. The vesting, pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

- c) all other movable properties of the Transferor Company, including investments of all kinds (that is, shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, deposits with any Government, quasi government, local or other authority or body or with any company or other person shall, under the provisions of Sections 391 to 394 of the 1956 Act, and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, will be and shall stand transferred to and vested in the Transferee Company and/or deemed to have been transferred to and vested in the Transferee Company, by way of delivery of possession of the respective documents, as applicable, as a part of the transfer of the Undertaking as a going concern, so as to become from the Appointed Date, the assets and properties of the Transferee Company.
- d) The Transferee Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor that pursuant to the sanction of this Scheme by the High Court, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize all such debts (including the debts payable by such debtor or obligor to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Transferor Company and all the rights, title and interest of the Transferor Company in any licensed properties or leasehold properties shall, pursuant to Section 394(2) of the 1956 Act or any provision of the 2013 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.
- e) all lease/license or rent agreements entered into by the Transferor Company with various landlords, owners and lessors in connection with the use of the assets of the Transferor Company, together with security deposits and advance/prepaid lease/license fee, etc., shall stand transferred and vested in favour

- of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent or lease or license fee as provided for in such agreements and the Transferee Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants there-under. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company.
- f) All permissions, approvals, consents, subsidies, incentives, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, if any, shall, under the provisions of Sections 391 to 394 of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same be and stand transferred to and vest in and/or be deemed to be transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions, indirect tax benefits and exemptions, all other rights, benefits and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions. It is further clarified that they shall be deemed to have originally been given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof and the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- g) All intellectual property rights of any nature whatsoever, including but not limited to intangible assets appertaining to the Transferor Company, whether or not provided in books of accounts of the Transferor Company, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Transferee Company.
- h) All intangible assets, if any, including various business or commercial rights, etc belonging to but not recorded in books of the Transferor Company shall be accounted for as per applicable Accounting Standards.
- i) All taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, minimum alternate tax credits, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, excise duty, etc.) payable by or refundable to or being the entitlement of the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, tax holidays, remissions, reductions, etc as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company. Benefit of tax losses including brought forward business loss, unabsorbed depreciation, etc., up to Appointed Date, shall be available to Transferee Company w.e.f. the Appointed Date in terms of section 72A of Income Tax Act.
- j) The Transferee Company shall be entitled to claim refunds or credits, including Input Tax Credits, with respect to taxes paid by, for, or on behalf of, the Transferor Company under applicable laws, including but not limited to sales tax, value added tax, service tax, excise duty or any other tax, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed. For the avoidance of doubt, Input Tax Credits already availed of or utilized by the Transferor Company and the Transferee Company in respect of inter se transactions shall not be adversely impacted by the cancellation of inter se transactions pursuant to this Scheme.
- k) All statutory rights and obligations of Transferor Company would vest on/accrue to Transferee Company. Hence, obligation of the Transferor Company, prior to the Effective Date, to issue or receive any statutory declaration or any other Forms by whatever name called, under the State VAT Acts or the Central Sales Tax Act or any other act for the time being in force, would be deemed to have been fulfilled if they are issued or received by Transferee Company and if any Form relating to the period prior to the said Effective Date is received in the name of the Transferor Company, it would be deemed to have been received by the Transferee Company in fulfillment of its obligations.
- l) Benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or

otherwise, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a part of the transfer of the Transferee Company as a going concern, and the said corporate approvals and compliances shall be deemed to have originally been taken / complied with by the Transferee Company.

- m) The resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the 1956 Act or the 2013 Act as applicable, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.
- n) Such of the assets which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern, so as to become, as and from the Appointed Date, the assets of the Transferee Company.

1.3 Without prejudice to the generality of Clause 1.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date,

- (a) All liabilities, whether or not provided in the books of the Transferor Company, shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the

Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same.

- (b) All liabilities which are incurred or which arise or accrue to the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same.
- (c) Any liabilities of the Transferor Company as on the Appointed Date that are discharged by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to have been discharged for and on account of the Transferee Company.
- (d) All loans raised and utilized, liabilities, duties and taxes and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date but prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a part of the transfer of the Undertaking as a going concern and the same shall be assumed by the Transferee Company and to the extent they are outstanding on the Effective Date, the Transferee Company shall meet, discharge and satisfy the same.
- (e) All loans, advances and other obligations (including any 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 the Transferor Company and the Transferee Company shall, under the provisions of Sections 391 to 394 of the 1956 Act and other provisions of the 1956 Act

or the 2013 Act, as applicable, and all other provisions of applicable law, if any, without any further act, instrument, deed, cost or charge, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

- (f) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to the liabilities shall, without any further act, instrument, deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, continue to relate and attach to such assets or any part thereof to which they were related or attached prior to the Effective Date and are transferred to the Transferee Company. It is being clarified that the aforesaid encumbrances shall not be extended to any assets of the Transferor Company which were earlier not Encumbered or the existing assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company pursuant to this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

2. CONTRACTS AND DEEDS:

All contracts, deeds, bonds, agreements, arrangements, licenses, engagements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced by or against the Transferee Company as fully and effectually, as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.

3. EMPLOYEES:

- 3.1 Upon the coming into effect of this Scheme, all permanent employees, who are on the payrolls of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Transferor Company who are on its payrolls shall become employees of the Transferee Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of this amalgamation

and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Transferor Company, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including with regard to the obligation to make contributions to relevant authorities, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.

- 3.2 The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme (including without limitation any employees stock option plan) or benefits created by the Transferor Company for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose. It is the intent that all rights, duties, powers and obligations of Transferor Company in relation to such fund or funds shall stand transferred to the Transferee Company without need of any fresh approval from any statutory authority. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company to the existing funds maintained by the Transferor Company.

- 3.3 The Transferee Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Company, the past services of such employees with the Transferor Company shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Transferor Company will transfer/handover to the Transferee Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

4. LEGAL PROCEEDINGS:

- 4.1 All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Transferor Company shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking or anything contained in this Scheme but the said proceedings, shall, till the Effective

Date be continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.

4.2 Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.

4.3 The Transferee Company undertakes to have accepted on behalf of itself, all suits, claims, actions and legal proceedings initiated by or against the Transferor Company transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

5. **BOOKS & RECORDS:**All books, records, files, papers, information, databases, and all other books and records, whether in physical or electronic form, of the Transferor Company, to the extent possible and permitted under applicable laws, be handed over to the Transferee Company.

6. **CONDUCT OF BUSINESS:**

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

6.1 the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of the entire business for and on account of, and in trust for, the Transferee Company;

6.2 all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by the Transferor Company for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Transferee Company;

6.3 any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent of the Transferee Company;

6.4 all taxes, where applicable, (including but not limited to advance income tax, tax deducted at source, minimum alternate tax, wealth tax, taxes withheld/paid in a foreign country, sales tax, excise duty, customs duty, service tax, VAT, tax refunds) payable by or refundable to the Transferor Company, including all or any tax refunds or tax liabilities or tax claims arising from pending tax proceedings, under any law, on or before the Effective Date, shall be treated as or deemed to be treated as the tax liability or tax refunds/ tax claims (whether or not recorded in the books

of the Transferor Company) as the case may be, of the Transferee Company, and any unabsorbed tax losses and depreciation, etc., as would have been available to the Transferor Company on or before the Effective Date, shall be available to the Transferee Company upon the Scheme coming into effect;

7. **SAVING OF CONCLUDED TRANSACTIONS:**

Subject to the terms of the Scheme, the transfer and vesting of the Undertaking, the continuance of Proceedings and the effectiveness of contracts and deeds as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date. The Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

8. **CANCELLATION OF SHARES:**

Upon the Scheme coming into effect, the shares held by the Transferee Company in the share capital of the Transferor Company will stand cancelled and there will be no issuance of shares by the Transferee Company.

9. **ACCOUNTING TREATMENT:**

9.1 An account shall be taken of the assets and liabilities of the Transferor Company to be transferred to the Transferee Company under this Scheme as on a date immediately preceding the Appointed Date. The Scheme of Amalgamation will be accounted for by the Transferee Company in conformity with the applicable accounting standards.

a) The identity of the reserves of Transferor Company shall be preserved/aggregated and shall appear in the financial statements of the Transferee Company under the same head in which they appeared in the financial statements of the Transferor Company.

b) The balance of the retained earnings appearing in the financial statements of the Transferor Company is aggregated with the corresponding balance appearing in the financial statements of the Transferee Company. Alternatively, it is transferred to General Reserve, if any.

9.2 The equity shares held by the Transferee Company in the Transferor Company appearing in the books of accounts of the Transferee Company shall stand cancelled in terms of clause 8 above and there shall be no further obligation in that behalf.

9.3 To the extent that there are inter-company loans, advances, deposits, balances unpaid dividend or other obligations as amongst the Transferor Company and the Transferee Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company as well as Transferor Company for the reduction of any assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, deposits or balances, with effect from the Appointed Date.

9.4 The Transferee Company shall record in its books of

account, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from Appointed Date to the Effective Date.

10. DISSOLUTION OF THE TRANSFEROR COMPANY:

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

CHAPTER 3 – OTHER TERMS AND CONDITIONS

1. REORGANISATION OF AUTHORISED SHARE CAPITAL:

1.1 As an integral part of the Scheme, upon this Scheme becoming effective and with effect from Appointed Date, the authorised share capital of the Transferor Company as on the Effective Date shall, without any further act, instrument or deed or payment of additional fees payable to the Registrar of Companies or stamp duty, stand transferred to and be merged with the authorised share capital of the Transferee Company.

1.2 Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Section 13 of the 2013 Act and other applicable provisions of the 2013 Act, as the case may be and be replaced by the following clause:

“The Authorised Share Capital of the Company is Rs 62,00,00,000 (Rupees Sixty two Crores only) divided into 6,20,00,000 (Six Crores Twenty Lacs) Equity Shares of Rs 10/- (Rupees Ten only) each, with rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company. The Company shall have the power to increase or reduce its capital for the time being and to consolidate, divide or sub-divide and re-classify the shares in such capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as to dividend, voting or otherwise and to vary, modify or abrogate any such rights, privileges or conditions in accordance with the provisions of the Act and Articles of the Company and issue Shares of higher or lower denominations.”

1.3 It is further clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/approval for the increase of the authorized capital, amendment of the capital clause of the Memorandum of Association, under the provisions of Section 13 of the 2013 Act and other applicable provisions of the 2013 Act.

2. CONDITIONS TO EFFECTIVENESS OF THE SCHEME:

2.1 The Scheme is conditional upon and subject to:

(a) this Scheme being approved by the respective requisite majorities of the various classes of shareholders, as applicable, of the Transferor Company and the Transferee Company as required under the 1956 Act or the 2013 Act, as applicable, and the requisite order of the High Court being obtained, or dispensation having been received from the High Court in relation to obtaining such consent from the shareholders, as applicable;

(b) approval of the Scheme by the public shareholders of the Transferee Company in accordance with the provisions of the SEBI Circulars. Such approval will be obtained through resolution passed through postal ballot and e-voting and the Scheme shall be acted upon only if the 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 High Court having accorded sanction to the Scheme; and

(d) such certified/authenticated copy of the Order of the High Court being filed with the Registrar of Companies, Kolkata.

2.2 In case any of the conditions in the Scheme are not satisfied or waived, then the Transferor Company and /or the Transferee Company shall be at liberty to withdraw the Scheme.

3. DIVIDEND:

3.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/or final, to their members in respect of the accounting period prior to the Effective Date.

3.2 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 the Transferor Company and the Transferee Company to demand or claim any dividends which, subject to the provisions of the 1956 Act or the 2013 Act, as applicable, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and subject to the approval, if required, of the respective members of the Companies.

4. APPLICATION:

4.1 The Transferor Company and the Transferee Company shall make necessary applications before the High Court for the sanction of this Scheme under Sections 391 to 394 and other applicable provisions of the 1956 Act or relevant provision of 2013 Act, as applicable, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and for sanctioning this Scheme with such modifications, as may be approved by the Court.

4.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Company.

5. MODIFICATIONS TO THE SCHEME:

The Transferor Company and the Transferee Company (by their respective Board of Directors) may, in their full and absolute discretion, jointly and as mutually agreed in writing:

(a) assent to any alteration(s) or modification(s) to this Scheme which a High Court and/or any other Governmental Authority may deem fit to approve or impose, and/or effect any other modification or amendment jointly and mutually agreed in writing, including, without limitation, any modifications to the accounting treatment set out in the Scheme due to

the Indian Accounting Standards being made applicable to the Companies or to the matters set forth in this Scheme, and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;

- (b) give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to any of those (to the extent permissible under law);
- (c) modify or vary this Scheme prior to the Effective Date in any manner at any time; or
- (d) if any part of this Scheme is found to be unworkable for any reasons whatsoever withdraw this Scheme prior to the Effective Date in any manner at any time; or
- (e) determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Company or not, on the basis of any evidence that they may deem relevant for this purpose.

6. WHEN THE SCHEME COMES INTO OPERATION

- 6.1 The Scheme shall come into operation from the Appointed Date but the same shall become effective on and from the Effective Date.
- 6.2 With effect from the Effective Date, the Transferee Company shall carry on and shall be authorized to carry on the businesses of the Transferor Company. For the purposes of giving effect to the order of the High Court under Section(s) 391 to 394 and other applicable provisions of the 1956 Act or relevant provision of 2013 Act as applicable, approving the Scheme, the Transferee Company shall at any time pursuant to such orders be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company in accordance with the provisions of the Section(s) 391 to 394 of the 1956 Act or the relevant provision of the 2013 act as applicable. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms etc. as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.
- 6.3 The Transferor Company and the Transferee Company shall be entitled to, amongst other, file/ or revise its income tax returns, TDS/TCS returns, wealth tax returns, service tax, excise, VAT, entry tax, professional tax or any other statutory returns, if required. The Transferee Company shall be entitled to claim credit for advance tax paid, tax deducted at source or tax collected at source, claim for deduction of sum prescribed under Section 43B of the Income Tax Act on payment basis, claim for deduction of provisions written back by Transferee Company previously disallowed in the hands of Transferor Company under the

Income Tax Act, credit of tax under Section 115JB read with Section 115JAA of the Income Tax Act, credit of foreign taxes paid/ withheld etc., if any, pertaining to the Transferor Company as may be required consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. The Transferee Company shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to its income or transactions entered into by it with effect from Appointed Date. The taxes or duties paid by, for, or on behalf of, the Transferor Company relating to the period on or after Appointed Date shall be deemed to be the taxes or duties paid by the Transferee Company and the Transferee Company shall be entitled to claim credit or refund for such taxes or duties.

- 6.4 Any advance tax, self-assessment tax, minimum alternate tax and/or TDS/TCS credit available or vested with the Transferor Company, including any taxes paid and taxes deducted/collected at source and deposited by the Transferor Company on inter se transactions during the period between Appointed Date and the Effective Date shall be treated as tax paid by the Transferee Company and shall be available to the Transferee Company for set-off against its liability under the Income Tax Act and any excess tax so paid shall be eligible for refund together with interest. Further, TDS/TCS deposited, TDS/TCS certificates issued or TDS/TCS returns filed by the Transferor Company on transactions other than inter se transactions during the period between Appointed Date and the Effective Date shall continue to hold good as if such TDS/TCS amounts were deposited, TDS/TCS certificates were issued and TDS/TCS returns were filed by the Transferee Company. Any TDS/TCS deducted/collected by, or on behalf of, the Transferor Company on inter se transactions will be treated as tax deposited or tax collected by the Transferee Company.

7. SEVERABILITY:

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.

8. COSTS:

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

9. RESIDUAL PROVISIONS:

In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights or liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person.

DCS/AMAL/ST/IP/661/2016-17

January 03, 2017

The Company Secretary
Philips Carbon Black Limited
Duncan House, 31 Netaji Subhash Road,
Post Box No 2229, Kolkata, West Bengal, 700001

Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Amalgamation Between Philips Carbon Black Limited and Goodluck Dealcom Private Limited.

We are in receipt of the Draft Scheme of Amalgamation of Goodluck Dealcom Private Limited Limited with Philips Carbon Black Limited. As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated January 02, 2017 has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall duly comply with various provisions of the Circulars."

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 High Court.

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

- Copy of the High Court 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,


Man Pujari
Manager

Ref: NSE/LIST/99266

January 2, 2017

The Company Secretary
Phillips Carbon Black Limited
31, Netaji Subhas Road,
Kolkata – 700001

Kind Attn.: Mr. K. Mukherjee

Dear Sir,

Sub: Observation letter for draft Scheme of Amalgamation between Goodluck Dealcom Private Limited and Phillips Carbon Black Limited and their respective shareholders

This has reference to draft Scheme of Amalgamation between Goodluck Dealcom Private Limited and Phillips Carbon Black Limited and their respective shareholders submitted to NSE vide your letter dated October 13, 2016.

Based on our letter reference no Ref: NSE/LIST/93818 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CDM/16/2015 dated November 30, 2015, SEBI has vide letter dated January 2, 2017, has given following comments on the draft Scheme of Arrangement:

“a) The company shall duly comply with various provisions of the Circular.”

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) 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 Hon’ble High Court.

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, SEBI (LODR) Regulations 2015, Guidelines / Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from January 2, 2017, within which the Scheme shall be submitted to the Hon’ble High Court. Further pursuant to the above cited SEBI circular upon sanction of the Scheme by the Hon’ble High Court, you shall submit to NSE the following:



- a. Copy of Scheme as approved by the High Court;
- 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. CIR/CFD/CDM/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Limited

Kautuk Upadhyay
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

The Calcutta Stock Exchange Ltd.

7, Lyons Range, Kolkata - 700 001

Phone : +91 33 4025 3000, Fax : +91 33 4025 3030 / 3017

Website : www.cse-india.com, E-mail : cseadm@cse-india.com

CIN: U67120WB1923PLC004707

Ref.No CSE/LDI/13/193/2016

3rd January, 2017

The Company Secretary & Chief Legal Officer
Phillips Carbon Black Ltd.
31, Netaji Subhas Road,
Kolkata-700 001

Dear Sir,

Sub: Observation letter for draft Scheme of Amalgamation between Goodluck Dealcom Pvt. Ltd. and Phillips Carbon Black Ltd. and their respective shareholders.

We are in receipt of the draft Scheme of Amalgamation of Amalgamation of Goodluck Dealcom Pvt Ltd and Phillips Carbon Black Ltd. and their respective shareholders

As required under SEBI Circular No CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide its letter dated January 2, 2017, has inter alia given the following comments(s) on the draft scheme of arrangement.

- "Company shall duly comply with various provisions of the Circulars."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby by 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 High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the Stock Exchange the following:

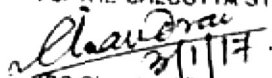
- 1 Copy of the High Court approved Scheme
- 2 Result of voting by shareholders for approving the Scheme;
- 3 Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-a-vis the Draft Scheme
- 4 Copy of the observation letter issued by all the Stock Exchanges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

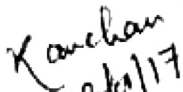
The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations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

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

Yours faithfully,

For THE CALCUTTA STOCK EXCHANGE LTD.


TCS Chandrani Datta
Executive-Listing


Kanchar
03/01/17



RP-Sanjiv Goenka
Group
Growing Legacies

Date: 11.11.2016

The Manager,
Listing Department,
National Stock Exchange of India Ltd,
Exchange Plaza,
Plot No. C-1, G Block,
Bandra – Kurla Complex,
Bandra (East),
Mumbai – 400051
NSE Symbol: PHILPCARB



Phillips Carbon Black Limited

The General Manager,
Department of Corporate Services,
Bombay Stock Exchange Ltd.,
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers,
Dalal Street, Fort,
Mumbai - 400001
BSE Scrip Code: 506590

The Secretary,
The Calcutta Stock Exchange Limited
7, Lyons Range,
Kolkata – 700001
CSE Symbol: 26125

Dear Sir,

Re: Scheme of Amalgamation of Goodluck Dealcom Private Limited (hereinafter referred to as “Transferor Company” or ‘GDPL) with Phillips Carbon Black Limited (‘Transferee Company’ or ‘PCBL) pursuant to Section 391 to 394 of the Companies Act, 1956.

Re: Application under Regulation 11, 28 and 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations)


Re: SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

1. In accordance with Para I.A.6 (b) of Annexure- “I” of the SEBI Circular no CIR/CFD/CMD/16/2015 dated November 30, 2015, we do hereby confirm that we have not received any compliant on the draft scheme of Amalgamation directly either at our registered office or through e-mail.
2. We further confirm that we have not been forwarded any compliant on the draft scheme of Amalgamation by the National Stock Exchange of India Limited, BSE Limited, Calcutta Stock Exchange Limited or The Securities and Exchange Board of India Limited in this regard.

Phillips Carbon Black Limited, 31 Netaji Subhas Road, Kolkata – 700 001, India
Tel: +91 33 6625 1461-64 Fax: +91 33 2248 0140/2243-6681 Email: pcbl@rp-sg.in Web: www.pcblttd.com
CIN: L23109WB1960PLC024602

3. We are hereby enclosing the complaints report indicating 'NIL' compliant received on the draft Scheme of Amalgamation submitted with the application referred to in Para 1 above.
4. The complaints report will also be uploaded on the website of the company as required under the above circular.

Yours Faithfully,
For PHILIPS CARBON BLACK LIMITED



Kaushik Mukherjee
Company Secretary & Chief Legal Officer

Encl: as above




Complaints Report

PART A

Sr. No.	Particulars	Number
1	Number of Complaints received directly	NIL
2	Number of Complaints forwarded by the Stock Exchange	NIL
3	Total Number of Complaints/comments received (1+2)	NIL
4	Number of complaints resolved	N.A
5	Number of Complaints pending	N.A

PART B

Sr. No	Name of complainant	Date of Compliant	Status (Resolved/Pending)
		N.A	

Date: 11.11.2016	For PHILIPS CARBON BLACK LIMITED
Place: Kolkata	 Kaushik Mukherjee Company Secretary & Chief Legal Officer



To
The Board of Directors
Phillips Carbon Black Limited
31 Netaji Subhas Road
Kolkata- 700001

CERTIFICATE

1. We have examined the proposed Draft Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 and the corresponding provisions of Companies Act, 2013 between Phillips Carbon Black Limited (herein after referred to as the "PCBL" or the "Transferee Company" or the "Company"), having its registered office at 31 Netaji Subhas Road, Kolkata 700001 and Goodluck Dealcom Private Limited (hereinafter referred to as "GDPL" or the "Transferor Company"), having its registered office at 31 Netaji Subhas Road, Kolkata 700001, a wholly owned subsidiary of the Company and their respective shareholders and creditors ("the Scheme").
2. Based on our examination of the Draft Scheme and according to information and explanation given to us, we note that the Draft Scheme entails the amalgamation of GDPL with its parent PCBL, with the consequent dissolution without winding up of GDPL.
3. We further note that, as a result of the proposed amalgamation, the shares of GDPL held by PCBL will stand cancelled, with no issuance of shares or payment of other consideration by PCBL. Since, the shareholders and the shareholding pattern of PCBL remains the same, it is treated as 'no change in shareholding pattern' and accordingly no valuation process is applicable to the transactions contemplated by the aforesaid scheme.
4. A certified copy of the Draft Scheme duly authenticated on behalf of the Company is attached as Annexure I to this Certificate, and stamped by us only for the purpose of identification.
5. The management of the company is responsible for the maintenance of the proper books of accounts and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of internal controls relevant for the preparation of the Proposed Scheme and for ensuring compliance with the applicable regulations.



- 6: This certificate is issued at the request of the Company in accordance with circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 read with regulation 11 and 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for its onward submission to the Stock Exchanges and should not be used for any other purpose or to be distributed to any other parties without our written consent.

For S. Jaykishan
Chartered Accountants
FRN: 309005E



Vivek Newatia

Partner

Membership No.

Place: Kolkata

Dated: The 5th day of October 2016





VC CORPORATE ADVISORS PVT LTD.

31, Ganesh Chandra Avenue, 2nd Floor, Suite No. 2C, Kolkata-700 013
Tel. 033 2225 3940, Fax: 033 2225 3941
CIN - U67120WB2005PTC106051

E-mail : mail@vccorporate.com
Website : www.vccorporate.com

PRIVATE & CONFIDENTIAL

05 October, 2016

To,

The Board of Directors

Phillips Carbon Black Limited

Duncan House, 31, N. S. Road,

Kolkata – 700 001

Dear Sir,

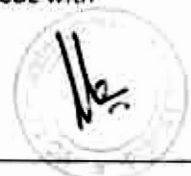
Sub: Proposed Scheme of Amalgamation of Goodluck Dealcom Private Limited (hereinafter referred to as "Transferor Company" or 'GDPL) with Phillips Carbon Black Limited ('Transferee Company' or 'PCBL) pursuant to Section 391 to 394 of the Companies Act, 1956.

Re: Fairness Opinion

PURPOSE:

We refer to your engagement letter dated 4th October, 2016 and subsequent discussions for providing Fairness Opinion as required in adherence with Securities and Exchange Board of India (SEBI) Circular No. CIR/CFD/CMD/16/2015 dated 30th November 2015 read with Regulations 11 and 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We understand that Phillips Carbon Black Limited (PCBL) has proposed a Scheme of Amalgamation under section 391 to 394 of the Companies Act, 1956 whereby its wholly owned subsidiary Goodluck Dealcom Private Limited (GDPL) will be amalgamated into parent PCBL with



SEBI AUTHORISED MERCHANT BANKERS

the consequent dissolution without winding up of GDPL with effect from 1st April 2016 or any other date as may be considered by the court of competent jurisdiction.

The information contained herein and our report is confidential. It is intended only for the sole use of captioned purpose including for the purpose of obtaining requisite approvals as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BACKGROUND AND SCOPE OF THIS REPORT:

Phillips Carbon Black limited ("PCBL") (herein after referred to as "Transferee Company") is a public limited company incorporated under the Companies Act of 1956 having its registered office at Duncan House, 31, Netaji Subhas Road, Kolkata- 700 001. PCBL was incorporated on March 31, 1960. There has not been any change in the name of PCBL since incorporation. The equity shares of the Transferee Company are listed on the BSE Limited (BSE), the National Stock Exchange of India Limited (NSE) and the Calcutta Stock Exchange Limited (CSE).

PCBL is presently engaged in the business of producing Carbon Black. Its manufacturing facilities are located at Durgapur, Palej, Cochin and Mundra.

Goodluck Dealcom Private Limited (GDPL) (hereinafter referred to as the "Transferor Company") is a company incorporated under provisions of the Companies Act, 1956 having its registered office at Duncan House, 31, Netaji Subhas Road, Kolkata- 700 001. The Transferor Company was incorporated on May 22, 2010. There has not been any change in the name of GDPL since incorporation.

GDPL is presently engaged in the business of investment and trading in shares and properties.

The Transferor Company is a wholly owned subsidiary of the Transferee Company.



CAPITAL STRUCTURE

The Capital structure of the Transferee Company i.e., PCBL is as under:

Particulars	Amount Rs.
Authorized Share Capital:	
5,00,00,000 equity shares of Rs. 10/- each	50,00,00,000
Issued, Subscribed and Paid Up Share Capital:	
3,44,67,572 Equity shares of Rs. 10 each fully paid up	34,46,75,720
Allotment money receivable	42,000
Total	34,46,73,720

The Capital structure of the Transferor Company i.e., GDPL is as under:

Particulars	Amount Rs.
Authorized Share Capital	
1,20,00,000 Equity shares of Rs. 10 each	12,00,00,000
Issued, Subscribed and Paid up Share Capital	
83,90,000 Equity shares of Rs. 10 each fully paid up	8,39,00,000

OBJECTS OF THE SCHEME

1. The Transferor Company is the wholly owned subsidiary of the Transferee Company. The registered offices of both, the Transferor Company and the Transferee Company are situated at the same place.
2. The amalgamation would result in more effective utilization of resources of both the Transferor Company and the Transferee Company, including pooling of financial resources of the Transferor Company with the Transferee Company, leading to more effective and centralised management of funds, greater economies of scale and reduction of administrative and manpower expenses and overheads, which are presently being multiplied, being separate entities.
3. For the better and more economic and efficient management, control and running of the businesses of the companies concerned and for the reasons as above, it is considered desirable and expedient to amalgamate the Transferor Company with the



Transferee Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation.

SOURCES OF INFORMATION:-

For the purposes of fairness opinion, we have relied upon the following sources of information –

- (i) Draft Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956;
- (ii) Certificate issued by M/s. S. Jaykishan, Chartered Accountants dated October 5, 2016.
- (iii) Such other information and explanations that have been provided to us by the management of the Transferee Company.

EXCLUSIONS AND LIMITATIONS:-

Our conclusion is based on the information furnished to us being, complete and accurate in all material aspects. We have relied upon the financials and the information and representations furnished to us and have not carried out any audit of such information.

We have not carried on any independent valuation or appraisal of any of the assets or liabilities of the companies.

Our work does not constitute verification of financials or including the working results of the companies referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.

We assume no responsibility for updating or revising our opinion on the circumstances or events after the date hereof.

Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of arrangement with the provisions of any law including companies, taxation



and capital market related laws or as regards any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

CONCLUSION: -

With reference to above and based on the information and explanation provided by the management representatives of PCBL and after analyzing the Scheme of Arrangement, we understand that since GDPL is a wholly owned subsidiary of PCBL, there shall be no issuance of shares or payment of consideration by PCBL to the shareholders of the Transferor Company and the shares of GDPL held by PCBL will stand cancelled. As, the shareholders and the shareholding pattern of PCBL will remain the same, it is treated as 'no change in shareholding pattern' and accordingly no valuation process is applicable to the transactions contemplated by the captioned scheme.

On the basis of the foregoing and based on the information and explanation provided to us, in our opinion, the proposed amalgamation of Transferor Company with the Transferee company is fair and reasonable.

Yours Faithfully,

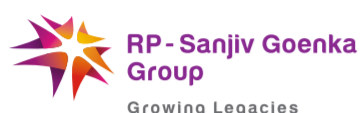
For VC CORPORATE ADVISORS PRIVATE LIMITED

Anup Kumar Sharma.

ANUP KUMAR SHARMA
(VICE PRESIDENT)



SEBI REGN No. INM0000011096



RP - Sanjiv Goenka Group
Growing Legacies



Phillips Carbon Black Limited
CIN: L23109WB1960PLC024602
Regd. Office: 31, Netaji Subhas Road, Kolkata - 700001
Email: pcb@rp-sg.in, Website: www.pcblltd.com
Phone: 033 66251461 - 64, Fax: 033 22480140 / 22436681

POSTAL BALLOT FORM

(Please read the instructions before completing the Form)

Serial No. :

(1) Name & Address of sole / First named Shareholder :

(2) Joint-holders, if any :

(3) Registered Folio No.*/ DP ID No. / Client ID No.** :

(4) No. of equity shares held :

(5) I/We hereby exercise my/our vote in respect of the following Resolution to be passed through Postal Ballot/ Remote e-voting for the Business stated in the Notice of Postal Ballot dated 25th May, 2017 of the Company by conveying / sending my/our assent / dissent to the said Resolution by placing tick(✓) mark in the appropriate box below:

Description	No. of Shares	I/We assent to the resolution (FOR)	I/We dissent to the resolution (AGAINST)
To approve the Scheme of Amalgamation of Goodluck Dealcom Private Limited, a wholly owned subsidiary of the Company with Phillips Carbon Black Limited, pursuant to the provisions of Section 108 & 110 of the Companies Act, 2013 and Rules thereof, Regulation 44 of the Securities and Exchange Board of India (SEBI-LODR) Regulation 2015, Provisions of the SEBI circular dated 30th November, 2015 and such other relevant provisions of the Companies Act, 2013 and SEBI Regulations, as may be applicable.			

Place :

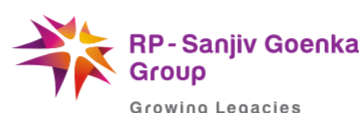
Date : _____ (Signature of the Shareholder)

* Applicable to the shareholder(s) holding shares in physical form.
** Applicable to shareholder(s) holding shares in dematerialized form.

The Electronic Voting Particulars are set out below :

EVEN (E Voting Event Number)	User ID	Password

Please refer to the attached Postal Ballot and E-voting Notice for instruction on E-voting.



RP - Sanjiv Goenka Group
Growing Legacies



Phillips Carbon Black Limited
CIN: L23109WB1960PLC024602
Regd. Office: 31, Netaji Subhas Road, Kolkata - 700001
Email: pcb@rp-sg.in, Website: www.pcblltd.com
Phone: 033 66251461 - 64, Fax: 033 22480140 / 22436681

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Place :

Date : _____ (Signature of the Shareholder)

* Applicable to the shareholder(s) holding shares in physical form.
** Applicable to shareholder(s) holding shares in dematerialized form.

The Electronic Voting Particulars are set out below :

EVEN (E Voting Event Number)	User ID	Password

Please refer to the attached Postal Ballot and E-voting Notice for instruction on E-voting.

INSTRUCTIONS

1. Member(s) desirous to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed Business Reply Envelope. Postage will be borne by the Company. Envelope containing Postal Ballot Form, if deposited in person or sent by courier at the expense of the Member(s) will also be accepted.
2. Please convey your assent/ dissent in this Postal Ballot Form. The assent or dissent received in any other form shall not be considered valid.
3. Alternatively, a Member may vote through electronic means as per the "instructions for remote e-voting" given under Notes, in the Postal Ballot Notice sent herewith.
4. Members can opt for only one mode of voting i.e. either by Postal Ballot or through e-voting. In case you are opting for voting by Postal Ballot, then please do not cast your vote by e-voting and vice-versa. In case Members cast their votes both by Postal Ballot and e-voting, the votes cast through e-voting shall Prevail and the votes cast through Postal Ballot Form shall be considered invalid.
5. Voting period will start from 9 a. m. (IST) on Tuesday, June 6, 2017 and will end on Wednesday, July 5, 2017 at 5 p. m. (IST).
6. The self-addressed envelope bears the postal address of the Scrutinizer appointed by the Board/Committee of Directors of the Company.
7. The Postal Ballot Form should be completed and signed by the Member (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited / Central Depository Services (India) Limited, in respect of shares held in the physical form or dematerialized form respectively). In case of joint holding, this Form must be completed and signed by the first named Member and in his/her absence, by the next named Member.
8. The votes of a Member will be considered invalid on any of the following grounds :-
 - a) If the Postal Ballot Form has not been signed by the Member.
 - b) If the Member's signature does not tally.
 - c) If the Member has made any amendment to the Resolution or imposed any condition while exercising the vote.
 - d) If the Postal Ballot Form is incomplete or incorrectly filled.
 - e) If the Postal Ballot Form is received torn, defaced or mutilated such that it is difficult for the Scrutinizer to identify either the Member or the number of Shares, or whether the votes are for "Assent" or "Dissent" or if the signature is not valid.
 - f) If the form other than this one issued by the Company is used.
9. Duly completed Postal Ballot Form should reach the Scrutinizer not later than the close of Working hours (5.00 pm) on Wednesday, July 5, 2017. Postal Ballot Form received after this date and time will be strictly treated as if the reply from such Member(s) has not been received.
10. In the case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution / Authorisation together with the specimen signature(s) of the duly authorised signatories.
11. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the close of Working hours (5.00 pm) on Wednesday, July 5, 2017.
12. The Postal Ballot Notice as well as Postal Ballot Form are also available on the website of the Company at www.pcblltd.com as well as at the website of NSDL : www.evoting.nsdl.com.
13. The exercise of vote through Postal Ballot is not permitted through a proxy.
14. Members are requested to fill the Postal Ballot Form in indelible ink (and avoid filling it by erasable writing medium/s like pencil).
15. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Member(s) on the Record Date/Cut-Off Date i.e. Friday, 26th May, 2017.
16. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.
17. There will be one Postal Ballot Form for every Folio/ Client ID, irrespective of the number of joint holders.
18. The Scrutinizer's decision on the validity of the Postal Ballot will be final.
19. The Company is pleased to provide remote e-voting facility as an alternative, to all the members to enable them to cast their votes electronically instead of dispatching Postal Ballot Form. Remote e-voting is optional. The detailed procedure for remote e-voting has been set out in note 20 in the Notes to the Postal Ballot Notice.
20. The Scrutinizer shall, immediately after the conclusion of the Postal Ballot voting period, unblock the votes cast through remote e-voting and also count the votes received by post through Ballot Form, in the presence of at least two(2) witnesses not in the employment of the Company and shall submit his duly signed report within two days from the date of conclusion of the Postal Ballot Process.
21. Only a Member entitled to vote is entitled to fill in the Postal Ballot Form and send it to the Scrutinizer and any recipient of the Notice who has no voting rights should treat the Notice as an intimation only.

INSTRUCTIONS

1. Member(s) desirous to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached self-addressed Business Reply Envelope. Postage will be borne by the Company. Envelope containing Postal Ballot Form, if deposited in person or sent by courier at the expense of the Member(s) will also be accepted.
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 - a) If the Postal Ballot Form has not been signed by the Member.
 - b) If the Member's signature does not tally.
 - c) If the Member has made any amendment to the Resolution or imposed any condition while exercising the vote.
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