



# Nitta Gelatin India Limited

(Formerly Kerala Chemicals and Proteins Limited)

Joint venture of Kerala State Industrial Development Corporation Ltd. and Nitta Gelatin Inc.

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54/1446 SBT Avenue  
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CIN : L24299KL1975PLC002691

Website : www.gelatin.in

26.11.2018

The Secretary  
BSE LTD  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, P J Towers,  
Dalal Street,  
Mumbai-400 001

**Scrip Code: 506532**

**Sub:- BSE Observation Letter No.DCS/AMAL/SD/R 37/1281 Dated 28.09.2018-Scheme of Amalgations of Nitta Gelatin India Limited (Transferee Company) with Reva Proteins Limited (Transferor Company) – Further proceedings –Reg:**

**Ref:- Regulation 30 read with Clause12, PartA, Schedule III of SEBI | Listing Obligations and Disclosure Requirements| Regulations, 2015.**

Further to the Observation Letter on the Scheme of Amalgamation and Merger as above, we had on 23/10/2018, filed an application (CA192 & 193) before the National Company Law Tribunal (NCLT), Chennai Bench, seeking Orders for convening of meeting(s) of Shareholders and Creditors of both, the Transferor and Transferee Companies.

The NCLT had on consideration of Application and Submission thereto, had passed orders dtd 12/11/2018, advising the convening of all meetings of both, the Transferor and Transferee Companies on 27/12/2018 at Kochi, Kerala. The Chairman for the meeting(s) having also been appointed by NCLT, individual Notices were made out as envisaged under Section 230 to 232 of the Company's Act 2013 and Rules 20 to 22 of (Companies Management and Administration) Rules, 2014 and other applicable provisions of the Act and Rules, besides SEBI LODR 2015, for despatch to equity Shareholders/ Preference Shareholders/ Secured Creditors/ unsecured Creditors of both the Transferor and Transferee Companies. The notices were all despatched in a mode as advised by the NCLT, within the time prescribed, under proof of despatch.

Despatch of Notices having completed on Saturday 24/11/2018, the fact of such despatch were notified in a Notice and Advertisement in the English daily 'Business Line' (All Editions) and Vernacular daily 'Mangalam' (All Kerala Editions) besides other details of the meeting and prescriptions to be followed by the Shareholders and Creditors, in a manner envisaged under Law, on this day, the 26<sup>th</sup> day of Nov'18.

Further to informing BSE of all the above, we also attach along with this letter, Notices both for the Shareholders and Creditors of the Transferee Company, along with copy of the advertisement, for information of the Shareholding Public and your records, please.

Thanking you,

Yours faithfully,  
For Nitta Gelatin India Limited

G. Rajesh Kurup  
Company Secretary

Attached a/c



# Nitta Gelatin India Limited

CIN No: L24299KL1975PLC002691 Regd. Office: 54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036, India  
Tel: +91 484 3099444, 2317805 Fax: +91 484 2310568, Email: rajeshkurup@nittagelatinindia.com Website: http://www.gelatin.in  
FORM NO. CAA.2 [Pursuant to Section 230(3) and Rule 6 and 7]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH, CHENNAI  
COMPANY APPLICATION NO: C.A./193/CAA/2018

In the matter of Companies Act, 2013; And In the matter of Sections 230 to 232 of the Companies Act, 2013; And In the matter of the Scheme of Merger and Amalgamation between Reva Proteins Limited ("RPL" / "Transferor Company / Amalgamated Company") and Nitta Gelatin India Limited ("NGIL" / "Transferee Company" / Amalgamating Company) and their respective shareholders and creditors.

Nitta Gelatin India Limited, a Company incorporated under the Companies Act, 1956, and having its registered office at 54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036 ..... Applicant Company

## NOTICE AND ADVERTISEMENT OF NOTICE OF THE MEETING OF CREDITORS OR MEMBERS

NOTICE is hereby given that by an Order dated the 12th November, 2018, the Hon'ble National Company Law Tribunal, Chennai Bench, Chennai ("Hon'ble Tribunal") has directed separate meetings to be held of the Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Merger and Amalgamation between Reva Proteins Limited ("RPL" / "Transferor Company / Amalgamated Company") and Nitta Gelatin India Limited ("NGIL" / "Transferee Company" / Amalgamating Company / Applicant Company) and their respective shareholders and creditors ("Scheme").

In pursuance of the said Order and as directed therein, further notice is hereby given that a Meeting of the Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the Applicant Company will be held at the place, day, date, time as mentioned herein below, at which place, day, date and time you are requested to attend.

Class of Members/ Creditors	Place of the Meeting	Day	Date	Time
Equity Shareholders	Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015	Thursday	27th December, 2018	10:00 am
Preference Shareholders	Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015	Thursday	27th December, 2018	11:00 am
Secured Creditors	Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015	Thursday	27th December, 2018	12:00 Noon
Unsecured Creditors	Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015	Thursday	27th December, 2018	12:30 pm

Copies of the said Scheme of Merger and Amalgamation and Statement under Section 230 (3) read with Section 102 of the Companies Act, 2013, Form of Proxy and Attendance Slip may be obtained free of charge during business hours ie 10 a.m to 5 p.m from the registered office of the Applicant Company on all days (except Saturday, Sunday and public holidays) and the same can be downloaded from the Applicant company's website www.gelatin.in. Persons entitled to attend and vote at the respective Meetings, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the registered office of the Applicant Company at 54/1446, SBT Avenue, Panampilly Nagar, Cochin - 682 036, not later than 48 hours before the scheduled time of the Meeting.

### Forms of proxy can be obtained from the registered office of the Applicant Company.

The Hon'ble Tribunal has appointed Mr. Sajiv Kumar Menon, Managing Director of the Applicant Company and falling him Mr. A.K Nair, Director of the Applicant Company to be the Chairman of the respective Meetings. The above Scheme, if approved by the respective meetings, will be subject to the subsequent approval of the Hon'ble Tribunal.

Further, notice is hereby given to the equity shareholders of the Applicant Company (which includes public shareholders of the Applicant Company as referred to in SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10th March,2017) in compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act,2013; (ii) Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014; (iii) Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (iv) Secretarial Standards - 2 on General Meetings;

1. The Company has provided the facility to the Shareholders to cast their votes either by way of postal ballot or through remote e-voting facility arranged by Central Depository Services Limited ("CDSL") prior to the Meeting or through vote at the venue of the meeting by way of ballot.

2. The Applicant Company has on November 24, 2018 completed the dispatch of the Notice along with the Explanatory Statement in physical form to the Members who have not registered their e-mail ids with depositories/Registrar and Share Transfer Agent/Applicant Company, by permitted mode. Members who have registered their e-mail ids for this purpose have also been served with Notice of the Meeting by e-mail on their ids registered with depositories/Registrar and Share Transfer Agent/Applicant Company. The Notice has been sent to all the Members whose names appear in the Register of Members/Beneficial Owners as per the details furnished by the Depositories as on 16th November, 2018.

3. The voting rights of Equity Shareholders shall be in proportion to their Equity Shareholding in the Company as on the close of business on Friday, November 16, 2018 ("Cut-off Date").

4. The facility for voting either through electronic voting system or ballot form/polling paper shall also be made available at the Meeting and members attending the Meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date only shall be entitled to avail the facility of remote e-voting as well as postal ballot and voting in the said Meeting. Member(s) can opt only for one mode of voting. If a Member has opted for remote e-voting, then he/she should not vote by postal ballot and vice-versa. However, in case Members cast their vote both through postal ballot and remote e-voting, then voting through remote e-voting shall prevail and voting done by postal ballot shall be treated as invalid.

5. It is clarified that votes may be cast by Members either by postal ballot or e-voting and casting of votes by postal ballot or e-voting does not disentitle them from attending the Meeting. Member after exercising his right to vote through postal ballot or e-voting shall not be allowed to vote again at the Meeting.

6. The voting period for postal ballot and remote e-voting shall commence on and from Tuesday, 27th November, 2018 at 9:00 am (IST) and end on Wednesday, 26th December, 2018 at 5:00 pm (IST). During this period, Members of the Applicant Company, holding shares either in physical form or in dematerialized form, as on 16th November, 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter and Members will not be allowed to vote electronically beyond the said date and time. Once the vote on a resolution is cast by the Member, she/he shall not be allowed to change it subsequently.

7. This Notice of the Meeting of Members of the Applicant Company is also displayed / posted on the website of the Applicant Company at www.gelatin.in and on the website of CDSL at www.evotingindia.com.

8. Members who have not received the postal ballot form, can download the same from the Company's website www.gelatin.in. In case a Member is desirous of obtaining a printed duplicate postal ballot form, he or she may send an e-mail to rajeshkurup@nittagelatinindia.com. The Registrar and Share Transfer Agent shall forward the same along with postage -prepaid self-addressed Business Reply Envelope to the Member.

9. The duly completed postal ballot form should reach the Scrutinizer on or before Wednesday, 26th December, 2018 at 5:00 PM (IST). Any postal ballot form received from the Member beyond the said date will not be valid and voting whether by post or by electronic means shall not be allowed beyond the said date.

10. As directed by the Hon'ble Tribunal, Mr. Abhilash Nediyaill Abraham, Practising Company Secretary (M.No.22601 and C.P No.14524), 32/1721A, Pallissen Kavala, N.H Bypass, Palariyattom, Kochi-25, shall act as Scrutinizer to scrutinize votes cast either electronically or on postal ballot form or on Poll at the Meeting and submit a report on votes cast to the Chairman of the Meeting. The result of the voting shall be announced by the Chairman of the Meeting on or before December 29, 2018, upon receipt of Scrutinizer's report and same shall be displayed on the website of the Company at www.gelatin.in and on CDSL website at www.evotingindia.co.in besides being sent to BSE Limited on the said date.

11. In case of any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help Section or send an email to helpdesk.evoting@cdslindia.com. In order to address any grievances relating to e-voting, you may write to Mr. Mehboob Lakhani or Mr. Rakesh Dalvi, Central Depository Services India Limited, A Wing, 25th Floor, Marathon Futurex, Evafatal Mill Compounds, N.M Joshi Marg, Lower Parel (East), Mumbai - 400013 at the designated email-id at helpdesk.evoting@cdslindia.com or at the telephone no.022-23058543.

Dated this 14th day of November, 2018

(Sd/-) SAJIV K. MENON (DIN: 00168228)

Place: Kochi

Chairman appointed for the meeting



## NITTA GELATIN INDIA LIMITED

CIN No: L24299KL1975PLC002691

Regd. Office: 54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036, India

Tel: +91 484 3099444, 2317805 Fax: +91 484 2310568,

Email: rajeshkurup@nittagelindia.com Website: <http://www.gelatin.in>

### NOTICE OF MEETING OF THE EQUITY SHAREHOLDERS CONVENED AS PER ORDER DATED 12TH NOVEMBER 2018 OF THE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH, CHENNAI

#### MEETING

Day	Thursday
Date	27 <sup>th</sup> December, 2018
Time	10:00 am
Venue	Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015

#### POSTAL BALLOT AND REMOTE E-VOTING

Commencing on	Tuesday, 27 <sup>th</sup> November, 2018 at 9.00 am
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**FORM NO. CAA-2**  
(Pursuant to Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies  
(Compromises, Arrangements and Amalgamations) Rules, 2016

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**CHENNAI BENCH, CHENNAI**  
**COMPANY APPLICATION NO: C.A./193/CAA/2018**

In the matter of Companies Act, 2013;

And

In the matter of the Sections 230 to 232 of the Companies Act,  
2013;

And

In the matter of the Scheme of Merger and Amalgamation  
between Reva Proteins Limited (“RPL” / “Transferor Company /  
Amalgamated Company”) and Nitta Gelatin India Limited (“NGIL”/  
“Transferee Company”/Amalgamating Company) and their  
respective shareholders and creditors.

Nitta Gelatin India Limited, a Company )  
incorporated under the Companies Act, 1956, )  
and having its registered office at 54/1446,  
SBT Avenue, Panampilly Nagar, Cochin 682 036) ..... Applicant Company

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANT  
COMPANY AND POSTAL BALLOT AND REMOTE E-VOTING**

To,

The Equity Shareholders of Nitta Gelatin India Limited (“the Applicant Company” or “NGIL”)

Notice is hereby given that by order dated 12<sup>th</sup> November, 2018, in the above mentioned Company Application , the National Company Law Tribunal, Chennai Bench, Chennai has directed that meeting of the Equity shareholders of the Applicant Company shall be convened for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme of Merger and Amalgamation between Reva Proteins Limited and Nitta Gelatin India Limited and their respective shareholders and creditors (“Scheme”) under Sections 230 to 232 read with Sections 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

In pursuance of the Order and as directed therein, a meeting of the equity shareholders of the Applicant Company will be held on Thursday, 27<sup>th</sup> December, 2018 at Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015 at 10:00 am, at which place, day, date and time you are requested to attend to consider and, if thought fit, approve with or without modification(s), the following **SPECIAL RESOLUTION** under Sections 230 to 232 read with Sections 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 with requisite majority:

*“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 read with Sections 13, 14 and 61 and other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules, Circulars and notifications made there under (including any statutory modification(s) or re-enactment thereof for the*

time being in force) and the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, and as further clarified by Circular No CFD/DIL3/CIR/2017/26 dated 23rd March, 2017, Circular No.CFD/DIL3/CIR/2017/105 dated 21st September, 2017, and Circular No.CFD/DIL3/CIR/2018/2 dated 3rd January, 2018 (hereinafter collectively referred to as 'the Circulars'), the observation letter issued by BSE Limited ("BSE") dated 28th September, 2018 and subject to the approval of the National Company Law Tribunal ("NCLT"), and such other approvals, sanctions, consents and confirmations from other regulatory authority(ies) as may be applicable ("Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by NCLT or Appropriate Authorities while granting such approvals, sanctions, consents, and confirmations, and which may be approved by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include any of its committee(s) or any person(s) which the Board may nominate or constitute to exercise its power, including the powers conferred under this resolution), approval of the equity shareholders be and is hereby accorded to:

(i) the Scheme of Merger and Amalgamation between Reva Proteins Ltd (Transferor Company) and Nitta Gelatin India Limited (Transferee Company) ("**Scheme**") with effect from 1st April, 2017 ,being the Appointed Date, placed before this meeting and duly initialed by the Chairman for the purpose of identification;

(ii) the consequent alteration of

(a) Authorised Share Capital Clause (Clause V(a))in the Memorandum and Articles of Association by substituting the existing clause with the following new clause;

"The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rs. Fifteen Crores Eighty Lakhs and Forty only) and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10 each aggregating to Rs 20,00,00,000 (Rs Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs 4,44,44,440 ( Rs. Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only) with power to increase and reduce the Capital for the time being of the Company into several classes and to attach thereto respectively preferential, qualified or special rights, privileges or conditions as such may be determined by or in accordance with the provisions of the Companies Act,2013 and Articles of Association of the Company and to vary, modify, or abrogate any such rights, privileges to conditions in such manner as may for the time being provided by the aforesaid regulations." and

(b.) Article 3 of Articles of Association by substituting the existing clause with the following new clause;

"The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rupees Fifteen Crores Eighty Lakhs and Forty only) and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10/- each aggregating to Rs 20,00,00,000/- (Rupees Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs. 4,44,44,440/- ( Rupees Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only)" and

(iii) issue of 44,44,444 Redeemable Preference Shares of face value of Rs.10 each by Nitta Gelatin

*India Limited to the equity shareholders of Reva Proteins Limited other than the Transferee Company , as per the terms and conditions mentioned in the Scheme”*

*“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and for removal of any difficulties and doubts, the Board, be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper; and to settle any questions or difficulties or doubts that may arise, including passing of such accounting entries and/ or making such adjustments in the books of accounts as considered necessary to give effect to this resolution, including settling of any questions or difficulties arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith and if necessary, to waive any of those, and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect or to carry out such modifications/ directions as may be required and / or imposed and/ or permitted by NCLT while sanctioning the Scheme, or by any Appropriate Authorities.”*

Persons entitled to attend and vote at the said meeting, may vote in person or by proxy or through authorized representative, provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is filed with the Applicant Company at its registered office at 54/1446, SBT Avenue, Panampilly Nagar Cochin 682 036, not less than 48 (forty eight) hours before the scheduled time for commencement of the aforesaid meeting.

In compliance with the provisions of (i) Section 230(4) read with Section 108 of the Companies Act, 2013; (ii) Rule 6(3) (xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“Rules”); (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) Circular No.CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 (“SEBI Circular”) issued by Securities and Exchange Board of India (“SEBI”), the Applicant Company has provided the facility of voting by postal ballot and remote e-voting so as to enable the shareholders to consider and approve the Scheme by way of the aforesaid resolution. The Applicant Company has provided the facility of voting by ballot at the venue of the meeting of the shareholders. Accordingly, you may cast your vote either through postal ballot or through remote e-voting or through ballot at the venue of the meeting.

The Scheme, if approved by the meeting, will be subject to the subsequent approval of NCLT. NCLT, vide the Order, has appointed Mr. Sajiv Kumar Menon, Managing Director failing him Mr. A.K Nair, Director of the Applicant Company to be the Chairman of the said meeting or of any adjournment (s) thereof.

A copy of the Scheme, the Explanatory Statement under Section 230 and Section 102 of the Act, read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamation) Rules 2016, and other enclosures as indicated in the index are enclosed. Form of proxy and Attendance slip may be obtained free of charge during business hours i.e. 10.00 am to 5.00 pm from the registered office of the Applicant Company on all days (except Saturdays, Sundays and public holidays) and the same can also be downloaded from the website of the Applicant Company i.e. <http://www.gelatin.in>

**SAJIV K. MENON**

(DIN: 00168228)

Chairman appointed for the meeting

Date: 14/11/2018

Place: Kochi

Registered Office: 54/1446, SBT Avenue, Panampilly Nagar, Cochin- 682 036

**Notes:**

1. **A REGISTERED SHAREHOLDER OF THE APPLICANT COMPANY IS ENTITLED TO ATTEND AND VOTE AT THE MEETING. A REGISTERED SHAREHOLDER IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A SHAREHOLDER OF THE APPLICANT COMPANY. ALL ALTERATIONS MADE IN THE FORM OF PROXY SHOULD BE INITIALED. THE PROXY FORM DULY FILLED IN MUST BE FILED WITH THE APPLICANT COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE SCHEDULED TIME FOR COMMENCEMENT OF THE MEETINGS OF THE SHAREHOLDERS.**
2. As per Section 105 of the Companies Act, 2013 and Rules made there under, a person can act as proxy on behalf of shareholders not exceeding 50 (fifty) in number and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Applicant Company carrying voting rights. Further a shareholder holding more than 10 (ten) percent of the total share capital of the Applicant Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. A registered shareholder of the Applicant Company being a body corporate may attend and vote (by authorised representative of a body corporate as per Section 113 of the Companies Act, 2013) at the meeting of the shareholders. The authorised representative of a body corporate which is a registered shareholder of the Applicant Company may attend and vote at the shareholders meeting provided a certified copy of the resolution of the board of directors or other governing body of the body corporate/Letter of Authority/Power of Attorney authorizing such representative to attend and vote at the shareholders meeting as required under Section 113 of the Companies Act, 2013, is filed at the registered office of the Applicant Company not less than 48 (forty eight) hours before the scheduled time for commencement of the meeting.
4. Shareholders/ proxies/ authorised representatives attending the meeting are requested to bring a copy of the notice of the meeting and produce the attendance slip, duly completed and signed, at the entrance of the meeting venue.
5. The SEBI vide Circular dtd 20/04/2018 having advised to inform the shareholders about the requirement to furnish their Bank account details to the Company for enabling the Company to henceforth directly credit their Bank account for all Dividends including any past Dividends outstanding for payment, a Registered letter dated 10.08.2018 was addressed to Shareholders holding shares in physical mode, followed by two letters by Ordinary post, advising to furnish such details. Accordingly, those of the Shareholders holding shares in Physical mode who have not so far furnished such details, may furnish the following at the earliest instance:
  - (i) Copy of self-attested PAN card including that of joint holders;
  - (ii) Bank account details of the first /sole shareholder , including therein details regarding Bank & Branch name with address, account type, Account number, MICR/ECS doe no., IFSC code;
  - (iii) Original cancelled cheque leaf with the name of the first/sole shareholder printed on it or copy of bank passbook showing name & account details of the account holder attested by the Bank.
6. SEBI vide notification dtd 08.06.2018 mandates that beginning December '18, request for effecting transfer of securities shall not be attended/processed unless the securities are held in demat form, exceptions being Transmission or Transposition of Securities. Hence, Shareholders are advised to take immediate steps for dematerializing their shares. Besides, trading of Company's shares through Stock Exchanges is permitted only in electronic/ demat form. Those members who have not yet converted their holdings into the electronic form may please consider opening an account with an authorised Depository Participant and arrange for dematerialisation.
7. Members holding shares in the same name or same order under different ledger folios are requested to apply for clubbing into one folio. Members are requested to notify the Registrar and Share Transfer Agent immediately



of their Bank Account Number and name of the Bank and Branch in the case of physical holdings and to their respective Depository Participant in the case of demated shares, so that payment of dividend when made through NECS/Dividend Warrants, can capture the updated particulars and avoid delay/default.

8. Members are requested to notify immediately any change in their address to the Registrar and Share Transfer Agents at their address as given above in the case of physical holdings and to their respective Depository Participant in case of demated shares.
9. Members may kindly update their email address with the Company/ Registrar and Share Transfer Agents Cameo Corporate Services such that correspondences reach you without fail.
10. Members are requested to furnish details of their nominee in the nomination form that can be obtained from the Company on request.
11. Members desiring any information as regards the accounts are requested to write to the Company so as to reach the Registered Office at least 5 days before the date of meeting to enable the management to keep the information ready.
12. Registered shareholders who hold shares in dematerialized form and who are attending the meeting are requested to bring their Client ID and DP ID details for easy identification for their attendance at the meeting.
13. Shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Shareholders of the Applicant Company /list of beneficial owners as received from Central Depository Services Limited ("CDSL") in respect of such joint holding will be entitled to vote and in his/her absence by the next named shareholder of the Applicant Company.
14. In compliance with the NCLT order, the notice, together with the documents accompanying the same, is being sent to all the shareholders either by Registered Post or by Speed Post or by courier service or by e-mail or by hand delivery whose names appeared in the Register of Shareholders/ list of beneficial owners as received from CDSL as on Friday, 16<sup>th</sup> November, 2018. This notice to the shareholders of the Applicant Company is also displayed/ posted on the website of the Applicant Company, [www.gelatin.in](http://www.gelatin.in) and on website of CDSL.
15. In compliance with the NCLT order, a person, whose name is not recorded in the Register of Shareholders or in the register of beneficial owners maintained by CDSL as on the cut-off date i.e. 16<sup>th</sup> November, 2018, shall not be entitled to avail the facility of e-voting or postal ballot voting or voting at the venue of the meeting to be held on Thursday, 27<sup>th</sup> December, 2018. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the equity shareholders (which include Public Shareholders) as on 16<sup>th</sup> November, 2018. Persons, who are not equity shareholders of the Applicant Company as on the cut-off date i.e. 16<sup>th</sup> November, 2018 should treat this notice for information purposes only.
16. In compliance with the NCLT order, the Notice convening the aforesaid meeting will be published through advertisement in Business Line (all India Edition) in English language and a Malayalam translation thereof in Mangalam (Kerala Edition).
17. Equity shareholders (which includes public shareholders) can opt for only one mode of voting i.e. either through Remote e-voting or postal ballot form or voting by ballot at the meeting. If a shareholder has opted for Remote e-voting, then he/she should not vote by postal ballot form and vice versa. However, in case the equity shareholders (which include Public Shareholders) cast their vote both via postal ballot form and remote e-voting then voting through Remote e-voting shall prevail and voting done by postal ballot form shall be treated as invalid notwithstanding whichever is cast first.
18. The Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> day of March 2017 issued by SEBI, inter alia, provides that approval of public shareholders of the Applicant Company to the Scheme shall be obtained by way of voting through postal ballot and e-voting. Since, the Applicant Company is seeking the approval of its equity

shareholders (which includes public shareholders) to the Scheme by way of voting through postal ballot and e-voting, no separate procedure for voting through postal ballot and e-voting would be required to be carried out by the Applicant Company for seeking the approval to the Scheme by its public shareholders in terms of SEBI Circular. The aforesaid notice sent to the equity shareholders (which includes public shareholders) of the Applicant Company would be deemed to be the notice sent to the public shareholders of the Applicant Company. For this purpose, the term “Public” shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term “public shareholders” shall be construed accordingly.

19. In compliance with the NCLT order, the voting period for Postal Ballot and e-voting shall commence on and from Tuesday, 27<sup>th</sup> November, 2018 at 9.00 am IST and ends on Wednesday, 26<sup>th</sup> December, 2018 at 5:00 pm IST. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed with assent (FOR) or dissent (AGAINST), in the attached Business Reply Envelope, so as to reach the Scrutinizer on or before Wednesday, 26<sup>th</sup> December, 2018 at 5.00 pm IST. A Postal Ballot Form along with self-addressed postage pre-paid envelope are also enclosed.
20. Members who have received the postal ballot notice by e-mail and who wish to vote through Postal Ballot Form can download the Postal Ballot Form from the Applicant Company’s website [www.gelatin.in](http://www.gelatin.in) and send back the same to scrutinizer’s mail id at [abislab2015@gmail.com](mailto:abislab2015@gmail.com).
21. In case a Member is desirous of obtaining a printed duplicate Postal Ballot Form, he or she may send an e-mail to [rajeshkurup@nittagelindia.com](mailto:rajeshkurup@nittagelindia.com). The Registrar and Share Transfer Agent shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the Member. No other Form or photocopy of the Form is permitted.
22. The documents referred in the accompanying Explanatory Statement shall be open for inspection by the shareholders at the Registered Office of the Applicant Company on all working days (except Saturdays, Sundays and public holidays) between 11.00 am to 1.00 pm up to one day prior to the date of the meeting of the shareholders.
23. Voting through electronic means

Pursuant to provisions of Sections 108 and 230 to 232 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended up-to-date, and Regulation 44 of the Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulations 2015, the Applicant Company is pleased to offer remote e voting facility to the members to cast their votes electronically as an alternative to participation at this Tribunal Convened General Meeting . Please note that the remote e-voting through electronic means is optional. The Company is also providing the facility of poll at the meeting by way of ballot. The Company has engaged the services of Central Depository Services India Ltd (CDSL) to provide remote e- voting facilities. The remote e voting facility is available at the link <https://www.evotingindia.com>

The e voting facility will be available during the following period:

<b>Commencement of remote e voting</b>	<b>Tuesday, 27th November, 2018 at 9.00 am</b>
<b>End of remote e voting</b>	<b>Wednesday, 26th December, 2018 at 5:00 pm</b>

During this period, members of the Company may cast their vote electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote(s) on a resolution is cast by the member, the member shall not be allowed to change it subsequently as well as not allowed to vote at the meeting.

**The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on 16<sup>th</sup> November, 2018.**

**The instructions for members for remote voting electronically (both for physical shareholders as well as**

**demat holders) are as under:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “NITTA GELATIN INDIA LIMITED” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user, please follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Sequence Number in the PAN field</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters.</li> </ul> <p>eg.: If your name is Ramesh Kumar with Sequence Number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank De- tails#  OR  Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <p>If both the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field in order to login.</p>

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

- (xi) Click on the EVSN for NITTA GELATIN INDIA LIMITED on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app & m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play store. Apple and Windows phone users can download the app from the app store and the windows phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates
  - a) They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - b) After receiving the login details a compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
  - c) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - d) They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help Section or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### 24. Other Instructions

- The Tribunal has appointed Mr. Abhilash Nediyaalil Abraham, Practising Company Secretary (M.No.22601 and C.P No.14524), 32/1721 A, Pallisseri Kavala, N.H Bypass, Palarivattom, Kochi-25 as the Scrutinizer to scrutinize the remote e- voting process, postal ballot and voting at the meeting by way of ballot in a fair and transparent manner.
- The Scrutinizer shall immediately after the conclusion of voting at the Meeting, first count the votes cast at the meeting, through postal ballot and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than two days from the conclusion of the meeting , a consolidated scrutinizer’s report on the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign

the same. The Chairman or the person authorized by him shall declare the result of the voting forthwith.

The Results declared, along with the scrutinizer's Report, shall be placed on the Company's website [www.gelatin.in](http://www.gelatin.in) and on the website of CDSL immediately after the results have been declared by the Chairman or a person authorized by him in writing. The Company shall simultaneously communicate the results to BSE Ltd., Mumbai, who shall place the same in their website.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
CHENNAI BENCH, CHENNAI  
COMPANY APPLICATION NO: C.A./193/CAA/2018**

In the matter of Companies Act, 2013;

And

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

And

In the matter of the Scheme of Merger and Amalgamation between Reva Proteins Limited (“RPL” / “Transferor Company / Amalgamated Company”) and Nitta Gelatin India Limited (“NGIL” / “Transferee Company”) and their respective shareholders and creditors.

Nitta Gelatin India Limited, a Company )

incorporated under the Companies Act, 1956, )

and having its registered office at 54/1446,

SBT Avenue, Panampilly Nagar Cochin 682 036 ) ..... Applicant Company

**EXPLANATORY STATEMENT UNDER SECTION 230 TO SECTION 232 AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE NATIONAL COMPANY LAW TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY AND POSTAL BALLOT AND REMOTE E-VOTING.**

1. Pursuant to Orders dated 12<sup>th</sup> November, 2018, passed by the National Company Law Tribunal, Chennai Bench, (“NCLT”) in the Company Application No. C.A/193/CAA/2018 (“Order”) a meeting of the equity shareholders of Nitta Gelatin India Limited is being convened on Thursday, 27<sup>th</sup> December, 2018 at Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015 at 10:00 am for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Merger and Amalgamation between Reva Proteins Limited and Nitta Gelatin India Limited and their respective shareholders and creditors (“Scheme”) pursuant to Sections 230 to 232 read with Sections 13, 14 and 61 and other applicable provisions of the Companies Act, 2013 (“Act”).
2. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
3. In compliance with provisions of (i) Section 230(4) read with Sections 108 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (iii) Rule 22 and Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (v) Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> day of March, 2017 (“SEBI Circular”) issued by the Securities and Exchange Board of India (“SEBI”), the Applicant Company has provided the facility of voting through postal ballot and voting through remote e-voting so as to enable the shareholders to consider and approve the Scheme by way of the said resolution. The Applicant Company has also provided the facility of voting by ballot at the venue of the meeting of the shareholders.

Accordingly, you may cast your vote either through postal ballot or through remote e-voting or through ballot at the venue of the meeting.

4. The Scheme provides for (i) the Merger and Amalgamation between Reva Proteins Ltd (Transferor Company) and Nitta Gelatin India Limited (Transferee Company) (“Scheme”) with effect from 1st April, 2017 ,being the Appointed Date, placed before this meeting and duly initialed by the Chairman for the purpose of identification; (ii) consequent alteration of authorised capital clause of the Memorandum of Association and Articles of Association of Nitta Gelatin India Ltd and (iii) issue of 44,44,444 Redeemable Preference Shares to the Equity Shareholders of Reva Proteins Ltd other than Nitta Gelatin India Ltd, being the Transferee Company. A copy of the Scheme, which has been, inter alia approved by the Audit Committee and the Board of Directors of the Applicant Company at their respective meetings held on 3<sup>rd</sup> February, 2018 is enclosed as Annexure 1.

## 5. BACKGROUND OF THE COMPANIES

### 5.1 Reva Proteins Limited (Transferor Company/ Amalgamated Company)

#### 5.1.1 Corporate Details of Reva Proteins Limited

Particulars	Details
Corporate Identification Number (CIN)	U24295KL2009PLC024529
Permanent Account Number	AAECR4851M
Date of Incorporation	30.07.2009
Type of Company	Unlisted Public Limited Company
Registered office address	54/1446, Panampilly Nagar, Ernakulam, Kerala – 682036
Details of change of name, Registered office and objects of the company during the last five years	There has not been any change in name or Registered office in the last 5 years. The object clause have been amended in line with Companies Act, 2013 vide AGM resolution dated 2nd August 2016.
Email address	rajeshkurup@nittagelindia.com
Relationship with the parties to the Scheme	Reva Proteins Limited is the Subsidiary of Nitta Gelatin India Limited.

#### 5.1.2 Share Capital of Reva Proteins Limited

The Share capital of Reva Proteins Limited as on 30.06.2018 is as under:

Authorised Share Capital	in Rupees
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
2,00,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	20,00,00,000
<b>Total</b>	<b>40,00,00,000</b>
Issued, subscribed and paid up	in Rupees
1,88,60,520 Equity shares of ₹ 10 each	18,86,05,200
1,25,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	12,50,00,000
<b>Total</b>	<b>31,36,05,200</b>

Thereafter, there has been no change in authorised, issued, subscribed and paid up share capital of Reva Proteins limited.

### 5.1.3 Business and objects of Reva Proteins Limited

(i) The Transferor Company is primarily engaged in the business of manufacturing of limered Ossein, Ossein, Di-calcium Phosphate and 8% Di-calcium Phosphate.

(ii) The main objects of Reva Proteins Limited as per Clause IIIA of its Memorandum of Association are inter alia as under:

“To manufacture, import, export, trade and deal, in Ossein and products and components of Ossein, Di-Calcium Phosphate and products and components of Di-Calcium Phosphate, Gelatin and products and components of Di-Calcium Phosphate, Gelatin and products and components of Gelatin, Glue and its related products and components, raw material for Ossein including Degreased Bone and Crushed Bone and related products viz, tallow, Bone Meal and other bone products, meat and meat products, other components used for the manufacture of Gelatin like Chitosan, Fish oil etc, organic manure and other derivatives and components and by products obtained during the course of manufacture of the above and run slaughter houses, independently or in Joint ventures.”

## 5.2. Nitta Gelatin India Limited - (Applicant Company/Transferee Company /Amalgamating Company)

### 5.2.1 Corporate Details of Nitta Gelatin India Limited

Particulars	Details
Corporate Identification Number (CIN)	L24299KL1975PLC002691
Permanent Account Number	AABCK1582H
Date of Incorporation	30.04.1975
Type of Company	Listed Public Limited company. The Equity shares are listed on BSE Limited (“BSE”)
Registered office address	54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036.
Details of change of name, Registered office and objects of the company during the last five years	There has not been any change in name or Registered office in the last 5 year. The object clause of the Company have been amended in line with Companies Act, 2013 vide Postal Ballot notice dated 01-02-2016.
Email address	rajeshkurup@nittagelindia.com
Relationship with the parties to the Scheme	Nitta Gelatin India Limited is the Holding Company of Reva Proteins Limited.

### 5.2.2 Share Capital of Nitta Gelatin India Limited

The Share capital of Nitta Gelatin India Limited as on 30.06.2018 is as under:

Authorised Share Capital	in Rupees
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
9,29,412 Optionally convertible Non-cumulative Preference Share of Rs.170 each	15,80,00,040
Total	35,80,00,040

Issued, subscribed and paid up	in Rupees
90,79,160 Equity shares of ₹ 10 each	9,07,91,600
9,29,412 Optionally convertible Non-cumulative Preference Share of Rs.170 each	15,80,00,040
Total	24,87,91,640

Thereafter there has been no change in authorised, issued, subscribed and paid up share capital of Nitta Gelatin India Limited.



### 5.2.3 Business and objects of Nitta Gelatin India Limited

- i. The Transferee Company is primarily engaged in the business of Manufacturing of Ossein Gelatin, Collagen peptide, Dicalcium Phosphate, Chitosan, Nutrigold, Seedaid, Cartipep.
- ii. The main objects of Nitta Gelatin India Limited as per Clause III A of Memorandum of Association are inter alia as under:

“To manufacture, import, export, trade and deal, in Ossein and products and components of Ossein, Di-Calcium Phosphate and products and components of Di-Calcium Phosphate, Gelatin and products and components of Gelatin, Glue and its related products and components, raw material for Ossein including Degreased Bone and Crushed Bone and related products viz, tallow, Bone Meal, and other bone products, meat and meat products, other components used for the manufacture of Gelatin like Chitosan, Fish Oil etc., organic manure and other derivatives and components and by products obtained during the course of manufacture of the above and run slaughter houses, independently or in Joint ventures.”

## 6. RATIONALE OF THE SCHEME AND BENEFITS TO COMPANY, MEMBERS, CREDITORS AND OTHERS

6.1 The Scheme proposes the vesting of the undertaking of the Transferor Company into the Transferee Company, which will result in consolidation of the business carried on by the Transferor Company and Transferee Company as one single entity.

### 6.2 Rationale for the Scheme

The Scheme shall enable the Transferee Company to reap several benefits including:

- (i) Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
- (ii) optimal utilization of resources and better working capital management;
- (iii) overall cost efficiencies;
- (iv) greater integration and operational synergy;
- (v) seamless availability of technical expertise;
- (vi) greater level of synergy in the Goods and Service Tax (GST) regime;
- (vii) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
- (viii) Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present
- (ix) Balance sheet becomes stronger;
- (x) streamlining the group structure and rationalization;
- (xi) developing stronger base for future growth

## 7. SALIENT FEATURES OF THE SCHEME

7.1 This Scheme of Merger and Amalgamation is presented under Section 230 to 232 of the Companies Act, 2013 for transfer of undertaking of Reva Proteins Limited (**RPL or Transferor Company**) with its Holding Company, Nitta Gelatin India Limited (**NGIL or Transferee Company**).

7.2 The Transferor Company is having severe liquidity issues in servicing its debts especially towards the trade creditors and the advance payments from the promoters are going up in view of the continued loss making

situation and it may take some time for the Transferor Company to tide over the situation to meet its payment commitments in the course of business. Further, it may require to provide for impairment losses in the Transferee Company's books for its investments into the Transferor Company following significant erosion in net worth owing to past accumulated losses. Consequent to the prevailing adverse financial conditions, banks show some reluctance to extend credit facilities to the Transferor Company on a standalone basis.

7.3 The Scheme proposes the vesting of the undertaking of the Transferor Company into the Transferee Company, which will result in consolidation of the business carried on by the Transferor Company and Transferee Company as one single entity.

7.4 Since the Transferor Company is a Subsidiary of the Transferee Company, upon this Scheme becoming effective, the Equity shares and Optionally Convertible Preference Shares (OCPS) held by the Transferee Company (directly and/or through its nominees), in the Transferor Company will stand cancelled and as a consideration for the merger, the Transferee Company to issue Redeemable Preference shares to Equity shareholders other than NGIL.

7.5 Appointed date

“**Appointed Date**” means 1<sup>st</sup> April, 2017 or such other date as may be recommended by the Boards of Directors and approved by the members of the Transferor Company and the Transferee Company or as modified by the Tribunal;

7.6 Effective Date

“**Effective Date**” means the date on which the certified or authenticated copies of the order(s) sanctioning the Scheme, passed by the Tribunal is filed with the Registrar of Companies. Any references in this Scheme to the “date of coming into effect of this Scheme” or “effectiveness of the Scheme” or “Scheme taking effect” shall mean the Effective Date;

7.7 **Share exchange ratio**

In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of this scheme, the Transferee Company shall subject to the provisions of Clause 20, 21 and 22 in the Annexure 1 Scheme, without any further application, act, instrument or deed issue and allot to Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the Register of Members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10 each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up.

7.8 **Accounting Treatment**

a) Upon the Scheme becoming effective, the Transferee Company shall account for the merger in its books of accounts as under:

- (i) The accounting shall be in accordance with “Pooling of Interest Method” laid down by Appendix C of Indian Accounting Standard 103 (IND AS 103): (Business combinations of entities under common control), notified under the Companies Act, 2013.
- (ii) Accordingly, on and from the Appointed Date and subject to the provisions hereof, including clause all assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.

- (iii) In case of any difference in accounting policy between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statement reflects the financial position on the basis of consistent accounting policy.
- (iv) All costs and expenses incurred as per Clause 29 in the Scheme below as well as other costs incidental with the finalization of this Scheme and for operationalizing the Scheme and any other expenses or charges attributable to the implementation of the above Scheme including stamp duty payable, if any, on the basis of value of immovable properties of the Transferor Company transferred to the Transferee Company shall be debited to the profit & loss account of the Transferee Company. The costs to issue debt or Equity securities shall be recognized in accordance with IND AS 32 and IND AS 109.
- (v) To the extent that there are inter-company loans, advances, deposits, balances or other obligations as between 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 accounts and records of the Transferee Company for the reduction of any assets or liabilities as the case maybe 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.
- (vi) Consideration if any to be issued to the other Equity shareholders of the Transferee Company would be recorded at their nominal value in the books of the Transferor Company.
- (vii) The difference, if any, between the investments held by the Transferee Company and all assets, liabilities and reserves of the Transferor Company, along with the consideration if any to be paid to the other shareholders of the Transferor Company will be transferred to “other Equity” portion under the head Equity of the Transferor Company.
- (viii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

## **7.9 Conduct of Business**

Upon the coming into effect of the Scheme, with effect from the Appointed Date and up to and including the Effective Date:

- (a) 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 all its estates, assets, rights, title, interest, authorities, contracts and investments for, and on account of, and in trust for, the Transferee Company;
- (b) All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), 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 (including taxes), as the case maybe, of the Transferee Company;
- (c) 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, including compliances such as tax deducted at source / tax collected at source under income-tax laws, compliances under sales tax, service tax, excise and other applicable laws 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 for the Transferee Company; and

- (d) all taxes (including, without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

#### **7.10 Dissolution of Transferor Company**

- (a) Upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding-up, without any further act or deed.
- (b) On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

#### **7.11 Alteration of authorised capital of the Transferee Company and increase of issued, subscribed and paid up share capital of the Transferee Company**

- (i) Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with authorized share capital of the Transferee Company giving a scope for enhancement of the authorized share capital of the Transferee Company even though the scheme does not envisage the issue of Equity shares to the members of the Transferor Company by way of share exchange.
- (ii) For enabling the Transferee Company to issue redeemable Preference shares to the other existing Equity shareholder of the Transferor Company as a consideration for the merger, the Transferee Company shall enhance the authorized Preference share capital by way of issuing 44,44,444 redeemable Preference shares of Rs 10 each for allotment to the other existing Equity shareholder of the Transferor Company.
- (iii) Accordingly, Clause V (a) 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 Sections 12, 61 and 64 and other applicable provisions of the Companies Act, 2013 and the rules framed there under. A copy of the draft revised MOA and AOA enclosed as **Annexure 12**.

#### **7.12 Conditions**

The Scheme is conditional upon and subject to:

- (i) The Scheme being approved by the requisite majorities of the various classes of members (where applicable) of the Transferor Company and the Transferee Company as required under the Act, or dispensation having been received from the Tribunal in relation to obtaining such approval from the members, and the requisite orders of the Tribunal being obtained in this regard and with the support of the simple majority of the public shareholders of the Transferee Company, being a listed entity;
- (ii) The Scheme being approved by majority of the public shareholders through postal ballot and e-voting as per the requirements in terms of Part I(A)(9)(a) and (b) of Annexure I of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.
- (iii) the Tribunal having accorded its sanction to the Scheme;
- (iv) the receipt of pre-filing and post sanction approvals of the Stock Exchanges and SEBI in terms of the SEBI Scheme Circulars, as applicable; and
- (v) the authenticated or certified copies of the order of the Tribunal approving the Scheme being filed with the Registrar of Companies, Kerala

- (vi) On the approval of the Scheme by the shareholders of the Transferor Company and the Transferee Company, in accordance with Section 230(1) of the Act, the shareholders of the Transferor Company and Transferee Company, respectively, shall be deemed to have also resolved and accorded all relevant consents under the Act to the extent the same may be considered applicable in relation to the arrangement set out in this Scheme and related matters.
- (vii) In the event of this Scheme failing to take effect by 31<sup>st</sup> March, 2019 or such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to, or, be incurred inter-se between the parties or their shareholders or creditors or employees or any other person. In such case, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses or as may be otherwise mutually agreed.

## 8. Approvals and supporting documents

The Scheme was placed before the Audit Committee of NGIL at its meeting held on 3<sup>rd</sup> February, 2018. The Audit Committee of NGIL took into account the Valuation Report dated 3<sup>rd</sup> February 2018, issued by SSPA & Co., Chartered Accountants (the "Valuation Report") and the fairness opinion, dated 3<sup>rd</sup> February 2018, provided by INGA Capital Limited, Independent (Category-I) SEBI registered Merchant Banker ("Fairness Opinion") appointed for this purpose by NGIL. The Auditors' Certificate dated 13<sup>th</sup> April, 2018 submitted by Walker Chandiook & Co. LLP, Statutory Auditors stated that the accounting treatment contained in the Scheme is in compliance with applicable Accounting Standards ("Auditors Certificate"). A copy of the Valuation Report is enclosed as **Annexure 2**. The Valuation Report is also open for inspection. A copy of the Fairness Opinion is enclosed as **Annexure 4**. The Audit Committee of NGIL based on the aforesaid, inter alia, recommended the Scheme to the Board of Directors of NGIL for its favourable consideration.

The Board of Directors of NGIL at their meeting dated 3<sup>rd</sup> February, 2018 took into account the Valuation Report dated 3<sup>rd</sup> February 2018 issued by SSPA & Co., Chartered Accountants, Fairness Opinion, dated 3<sup>rd</sup> February 2018, issued by INGA Capital Limited, Independent (Category-I) SEBI registered Merchant Banker and the recommendation of the audit committee of NGIL. Based on these documents and after considering the Scheme and the recommendation of the Scheme by the Audit Committee, the Board of Directors of NGIL had, at its meeting held on 3<sup>rd</sup> February, 2018, unanimously approved the Scheme.

The details of the Directors of NGIL who voted in favour/ against/ did not participate on resolution passed at the meeting of the board of directors of NGIL are given below:

Sr. No	Name of Director	Voted in favour/ against/ did not participate
1	Mr. T.K Jose, IAS	Leave of Absence
2	Dr. M. Beena IAS	Voted in Favour
3	Mr. Koichi Ogata	Voted in Favour
4	Mr. A. K. Nair	Voted in Favour
5	Mr. K. L. Kumar	Voted in Favour
6	Mrs. Radha Unni	Voted in Favour
7	Dr. Naotoshi Umeno	Voted in Favour
8	Dr. K. Cherian Varghese	Voted in Favour
9	Dr. Shinya Takahashi	Voted in Favour
10	Mr. Sajiv K. Menon	Voted in Favour

The details of the Directors of RPL who voted in favour/ against/ did not participate on resolution passed at the meeting of the board of directors of RPL are given below:

Sr. No	Name of Director	Voted in favour/ against/ did not participate
1	Mr. K. L. Kumar	Voted in Favour
2	Mr. Vijayan Menon	Voted in Favour
3	Mr. M.T Binil Kumar	Voted in Favour
4	Mr. B Shaji Mohan	Voted in Favour
5	Mr. P Sahasranaman	Voted in Favour
6	Dr. Shinya Takahashi	Voted in Favour
7	Mr. Sajiv K. Menon	Voted in Favour
8	Mr. M.A Xavier	Voted in Favour

In compliance with provisions of Section 232(2)(c) of the Act, the Board of Directors of NGIL and RPL have adopted a report inter alia explaining the effect of the Scheme on each class of shareholders, promoters and non promoter shareholders and Key Managerial Personnel (as defined under Companies Act 2013 and Rules framed there under) amongst others. Copy of the report by the Board of Directors of NGIL and RPL are annexed at **Annexure 5**.

Summary of valuation report including basis of valuation is enclosed as **Annexure 2** hereto.

BSE by their observation letter dated 28<sup>th</sup> September, 2018 conveyed their no objection to the Scheme in terms of Regulation 94 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Copy of the observation letter, dated 28<sup>th</sup> September, 2018, received from BSE, respectively is enclosed as **Annexure 6**.

As required by the SEBI Circular, NGIL has filed the complaints report with BSE on 27<sup>th</sup> September, 2018. This report indicates that NGIL received nil complaints. Copy of the complaints report submitted by NGIL to BSE, dated 27<sup>th</sup> September, 2018 is enclosed as **Annexure 7**. Further as on date of filing Company Application, the Applicant Company had not received any complaints.

NGIL and RPL or any of them would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, if so required.

### **9. Capital Structure Pre and Post Arrangement**

The pre and post Scheme Equity shareholding pattern of NGIL shall remain unchanged. The pre and post Scheme Equity shareholding pattern of NGIL as on 31st March, 2018 is enclosed as **Annexure 8** to this Notice.

The post Scheme Preference shareholding pattern of NGIL shall be changed on issue of Redeemable Preference Shares as envisaged under the Scheme. The summarised pre and post Scheme Preference shareholding pattern of NGIL as on 31st March, 2018 is enclosed as **Annexure 8** to this Notice.

Post Scheme, RPL merged with NGIL and therefore there will not be any post merger shareholding pattern for RPL. The summarised pre Scheme shareholding pattern of RPL as on 31st March, 2018 is enclosed as **Annexure 9** to this Notice.

### **10. Details of the Directors, key Managerial personnel and promoters and their shareholding**

The details of the Directors, key managerial personnel and promoters as on 30<sup>th</sup> June, 2018 are as follows:

**NGIL**

<b>Name of Director / KMP</b>	<b>Designation/ Date of Appointment/ Age</b>	<b>Address</b>
Ellangovan Kannan Kamala	Nominee Director	C-1, Upper Millennium Apartment, Jagathy, Thycaud P.O, Trivandrum 695014
Beena Mahadevan	Nominee Director	Devi Kripa Madathuvilakom Peroorkada, Thiruvananthapuram 695005
Koichi Ogata	Casual Vacancy Director	1-29-30 Masago, Ibaraki City Osaka 5670851
Karunakaran Appukuttan Nair	Director	Devika M 10/15 Changampuzha Nagar PO, Kalamassery Ernakulam 682033
Kumarapanicker Lalitha Kumar	Director	27/946, Haripriya, Plot G 388, Panampilly Nagar, Ernakulam, Kerala - 682036
Radha Unni	Director	No-21/6, River View, 4th Main Road Gandhi Nagar, Chennai 600020
Dr. Naotoshi Umeno	Director	6-1-96, Aoyama Shijimi-cho, Miki-city Hyogo NA, Japan
Kaduthanathu Cherian Varghese	Director	Kaduthanam Kayalmana, 43A Mukkottil Temple Road, Petta, Poonithura, Kochi 682038
Shinya Takahashi	Whole time Director	54/1446, SBT Avenue Near BSNL Telephone Exchange, Panampilly Nagar Ernakulam 682036
Sajiv Kumar Menon	Managing Director	13 D, Silver Streak , Vidya Nagar Cross Road , Near Passport Office , Panampilly Nagar, Ernakulam 682020
Gopalakrishnan Rajeshkurup	Company Secretary	Pallavi, Pattanakkad, Cherthala 688531
Parameswaran Sahasranaman	CFO(KMP)	35/1792, Santhi Nivas, LIC Colony South Janatha Road, Palarivattom P.O Kochi 682025

<b>Name of Promoters</b>	<b>Address</b>
Nitta Gelatin Inc.	Tokyo Branch, 08-12,2-Chome, Nihonbashi – Honchou, Chuou - Ku, Tokyo 103-0023, Japan
Kerala State Industrial Development Corporation	T.C. Xi/266, Keston Road, Kowdiar, Thiruvananthapuram – 695 003

**RPL**

<b>Name of Director / KMP</b>	<b>Designation/ Date of Appointment/ Age</b>	<b>Address</b>
Kumara Panicker Lalitha Kumar	Director	27/946, Haripriya, Plot G 388 Panampilly Nagar Ernakulam 682036
Vijayan Menon	Director	48/775, Mukkoottil Temple Road Poonithura P.O Ernakulam 682038
Mattappillil Thankappan Binilkumar	Nominee Director	B1, Kailas Apartments, Palathinkal Lane, North Fort Gate Tripunithura Ernakulam 682301
Bhargaviamma Shajimohan	Director	Varikkattu House, Amrutha Lane Near Gov Girls Lp School, Perumbavoor P. O. Ernakulam 683542
Parameswaran Sahasranaman	Director	35/1792, Santhi Nivas, LIC Colony South Janatha Road, Palarivattom P.O Kochi 682025

Shinya Takahashi	Director	54/1446, SBT Avenue Near BSNL Telephone Exchange, Panampilly Nagar Ernakulam 682036
Sajiv Kumar Menon	Director	13 D, Silver Streak , Vidya Nagar Cross Road , Near Passport Office , Panampilly Nagar Ernakulam 682020
Mattathil Antony Xavier	Managing Director	33/3245 F Cc 41 2471, Mattathil Veedu Vennala High School, Vennala Ernakulam 682028
Gopalakrishnan Rajeshkurup	Company Secretary	Pallavi, Pattanakkad, Cherthala -688531
Tejalkumar Rameshchandra Mehta	CFO(KMP)	Rajmoti Appt-1 Flat No-D-303 Valsad 396195, Gujarat

Name of Promoters	Address
Nitta Gelatin India Limited	54/1446, SBT Avenue, Panampilly Nagar Cochin 682 036
Nitta Gelatin Inc.	Tokyo Branch, 08-12,2-Chome, Nihonbashi – Honchou, Chuou - Ku, Tokyo 103-0023, Japan

Details of the Shareholding of Directors and Key Managerial Personnel of the NGIL and RPL either individually or jointly as a first holder or as nominee, in the NGIL and RPL as on 30.06.2018 are as under;

#### NGIL

Name of Director / KMP of the NGIL	No. of Equity shares held in	
	NGIL	RPL
Dr. K Ellangovan IAS	Nil	Nil
Dr. Beena Mahadevan	Nil	Nil
Koichi Ogata	Nil	Nil
Karunakaran Nair Appukuttan	66	Nil
Kumara Panicker Lalitha Kumar	Nil	Nil
Radha Unni	Nil	Nil
Dr. Naotoshi Umeno	Nil	Nil
Dr. Cherian Varghese	Nil	Nil
Dr. Shinya Takahashi	Nil	Nil
Sajiv Kumar Menon	Nil	1
Gopalakrishnan Rajesh Kurup	Nil	1
Sahasranaman Parameswaran	2424	1

#### RPL

Name of Director / KMP of the RPL	No. of Equity shares held in	
	NGIL	RPL
Kumara Panicker Lalitha Kumar	Nil	Nil
Vijayan Menon	Nil	Nil
Binilkumar Mattappillil Thankappan	Nil	Nil
Bhargaviamma Shajimohan	Nil	1
Sahasranaman Parameswaran	2424	1
Shinya Takahashi	Nil	Nil
Sajiv Kumar Menon	Nil	1
Mattathil Antony Xavier	Nil	1



Noriyuki Tsuji	Nil	Nil
Gopalakrishnan Rajesh Kurup	Nil	1
Harikumar Arvindbhai Patel	Nil	Nil
Tejalkumar Rameshchandra Mehta	Nil	Nil

## 11. General

Under the Scheme there is no arrangement with the creditors of NGIL. The liability of the creditors of NGIL, under the Scheme, is neither being reduced nor being extinguished. The creditors of NGIL would not be prejudicially affected by the Scheme.

As on date, NGIL has no outstanding towards any public deposits or debentures and therefore, the effect of the Scheme on any such public deposit holders or debenture holders or deposit trustees or debenture trustees does not arise.

There is no effect of the Scheme on the Key Managerial Personnel, Directors, creditors and employees of NGIL. As a consideration for merger, Redeemable Preference Shares are issued to other equity shareholders other than Nitta Gelatin India Limited in the Transferor Company. Therefore, there is no seen effect of the scheme on promoters, non-promoters and members.

Further, none of the Directors, Key Managerial Personnel of NGIL have any interest including material interest in the Scheme except to the extent that the said Director(s) and Key Managerial Personnel are the directors or Key Managerial Personnel's of NGIL.

No investigation proceedings have been instituted or are pending in relation to NGIL under Sections 210 to 229 of Chapter XIV of the Act.

To the knowledge of NGIL, no winding up proceedings have been filed or are pending against the NGIL and RPL under the Act or the corresponding provisions of the Companies Act, 1956.

The Scheme does not involve any debt restructuring and therefore, the requirement to disclose debt restructuring is not applicable. The scheme involves capital restructuring by way of issue of new class of shares i.e. Redeemable Preference Shares (RPS) in the Transferee Company.

The copy of the Scheme has been filed by the Applicant Company with the Registrar of Companies, Kerala.

The applicable information of RPL in the format specified for abridged prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is enclosed as **Annexure 10**.

As per the books of accounts as on 30.06.2018 of NGIL and RPL respectively, the amount due to the unsecured creditors are Rs.24,12,96,863.30 and Rs.17,09,62,759.84 respectively. As per the books of accounts as on 30.06.2018 of NGIL and RPL respectively, the amount due to the secured creditors are Rs.41,42,54,578 and Rs.16,47,54,467 respectively.

The certificates issued by the Auditors of NGIL to the effect that the accounting treatment, proposed in the Scheme is in conformity with the Accounting standard prescribed under Section 133 of the Companies Act, 2013. The Auditor's Certificates stated above is available for inspection at the registered office of the company.

The Certified True copies of unaudited financial statements of NGIL and RPL as on 30<sup>th</sup> June, 2018 are enclosed as **Annexure 11**.

Notice under Section 230(5) of the Companies Act, 2013 is being given to Central Government through the office of Regional Director, Ministry of Company Affairs, Southern Region, Chennai, the Registrar of Companies, Kerala, official

liquidator and concerned Income Tax Department within whose jurisdiction the Applicant Company's assessments are made which the Applicant Company undertakes to issue, FSSAI Department and RBI.

BSE and SEBI vide their letters dated 28th September, 2018 has stated that NGIL is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to BSE / SEBI again for its comments/ observations/ representations.

On the Scheme being approved by the requisite majority of the shareholders of the respective companies involved in the Scheme, as per the requirement of Section 230 of the Act and SEBI Circular all the companies will file a petition with NCLT, Chennai Bench for sanction of the Scheme.

In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

## **12. Inspection of Documents:**

The following documents will be open for inspection by the members of the Applicant Company at its registered office at 54/1446, SBT Avenue, Panampilly Nagar Cochin 682 036 i.e. between 11.00 am to 1.00 pm on all working days (except Saturdays, Sundays and public holidays) up to one day prior to the date of the meeting:

- (i) Certified copy of the order dated 12<sup>th</sup> November, 2018 passed by the National Company Law Tribunal, Chennai Bench in Company Application No. C.A/193/CAA/2018 to convene the meeting of Equity shareholders.
- (ii) Notice of meeting of the Equity shareholders convened as per directions of the National Company Law Tribunal under the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013
- (iii) Explanatory statement under Sections 230 to 232 of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013
- (iv) Scheme of Merger and Amalgamation between Reva Proteins Limited (Transferor Company) and Nitta Gelatin India Limited (Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013
- (v) Valuation Report dated 3rd February, 2018 issued by SSPA & Co., Independent Chartered Accountants.
- (vi) Summary of workings and issue of Redeemable Preference Shares of fair value per share and fair exchange ratio for the proposed amalgamation of Reva Proteins Ltd with Nitta Gelatin India Ltd dated 28th August, 2018 issued by SSPA & Co., Independent Chartered Accountants.
- (vii) Fairness opinion Certificate on the recommendation of Share Exchange Ratio by SSPA & Co. dated 3rd February, 2018 issued by Inga Capital Limited, Independent (Category - I) SEBI registered Merchant Banker
- (viii) Report of the Board of Directors of Nitta Gelatin India Limited and Reva Proteins Limited explaining the effect of the Scheme on each shareholders, Key Managerial Personnel, Promoters and Non-promoter shareholders
- (ix) Copy of observation letter dated 28th September, 2018 issued by BSE Limited
- (x) Report on Complaints dated 27th September, 2018 submitted to BSE Limited
- (xi) Detailed Pre and post Scheme of Merger and Amalgamation shareholding pattern of Nitta Gelatin India Limited
- (xii) Detailed Pre Scheme of Merger and Amalgamation shareholding pattern of Reva Proteins Limited
- (xiii) Applicable information of Reva Proteins Limited in the format specified for abridged prospectus in Part D of Schedule VIII of SEBI ICDR Regulations, 2009

- (xiv) Certified True copies of unaudited financial statements of Reva Proteins Limited and Nitta Gelatin India Limited as on 30th September, 2018
- (xv) Memorandum of Association and Articles of Association of NGIL and RPL.
- (xvi) Annual report of NGIL for the last three financial years ended 31st March 2018, 31st March 2017 and 31st March 2016, and unaudited financial statements of NGIL as on 30.06.2018.; Additionally, the documents are also available on the website of NGIL.
- (xvii) Annual report of RPL for the last three financial years ended 31st March 2018, 31st March 2017 and 31st March 2016 and unaudited financial statements of RPL as on 30.06.2018.
- (xviii) Auditor's Certificate dated 13<sup>th</sup> April, 2018 issued by the statutory auditors of NGIL, Walker Chandio & Co. LLP, Independent Chartered Accountants, with respect to the accounting treatment disclosed in the Scheme is in compliance with the applicable accounting standards.
- (xix) Amended Memorandum and Article of Association of Nitta Gelatin India Limited

The shareholders shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed in items numbers i, iv, xvi, xvii, xviii and xix above.

This statement may be treated as an Explanatory Statement under Sections 230 to 232 read with Section 102 and 110 of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. A copy of the Scheme, Explanatory statement, Form of proxy and attendance slip may be obtained free of charge during business hours i.e. 10.00 am to 5.00 pm from the registered office of the Applicant Company on all days (except Saturdays, Sundays and public holidays) and the same can also be downloaded from the website of the Applicant Company i.e. [www.gelatin.in](http://www.gelatin.in)

After the Scheme is approved, by the Equity Shareholders, Preference Shareholders, secured creditors and unsecured creditors of the Transferor Company, it will be subject to the approval/sanction by NCLT.

**SAJIV K. MENON**

(DIN: 00168228)

Chairman appointed for the meeting

Date: 14/11/2018

Place: Kochi

Registered Office: 54/1446, SBT Avenue, Panampilly Nagar, Cochin- 682 036

**SCHEME OF MERGER AND AMALGAMATION**

**BETWEEN**

**REVA PROTEINS LIMITED ... TRANSFEROR COMPANY**

**AND**

**NITTA GELATIN INDIA LIMITED ... TRANSFEREE COMPANY**

## 1. **Preamble**

- A. This Scheme of merger is presented under Section 230 to 232 of the Companies Act, 2013 for transfer of undertaking (as defined hereunder) of Reva Proteins Limited (**RPL or Transferor Company**) into Nitta Gelatin India Limited (**NGIL or Transferee Company**).
- B. The Transferor Company is a public limited Company originally incorporated under the Companies Act, 1956 in the state of Kerala on 30.07.2009 with Registration No. 024529 and continuing its existence under the Act (defined herein after) bearing CIN No: U24295KL2009PLC024529 having its registered office at 50 / 1002 Panampilly Nagar Ernakulam, Kerala - 682036 and is a Subsidiary of Transferee Company with 74.6% equity stake and the balance held by Nitta Gelatin Inc. Japan (**NGI, Japan**). The Transferee Company is also holding 100% Preference Stake in Transferor Company. The shares of the Transferor Company is not listed any stock exchanges. The Transferor Company is primarily engaged in the business of manufacturing of limes Ossein, Ossein, Di calcium Phosphate and 8% Di calcium Phosphate.
- C. The Transferee Company is a public limited Company originally incorporated under the Companies Act, 1956 in the State of Kerala with the name Kerala Chemicals and Proteins Limited (KCPL) on 30.04.1975 with Registration No. 002691 and during the year 2008 ,the name had been changed to Nitta Gelatin India Limited and continuing its existence under the said name under the Act bearing CIN No:L24299KL1975PLC002691, having its registered office at 50 / 1002 Panampilly Nagar Ernakulam, Kerala - 682036 (the "**Transferee Company**"). The Transferee Company is a successful industrial joint venture between Nitta Gelatin Inc., (NGI) Japan (43% Equity Stake) and Kerala State Industrial Development Corporation Limited (KSIDCL) (31.5% Equity Stake) while balance shareholding is distributed amongst public. The Company is presently engaged in Manufacturing of Ossein Gelatin, Collagen peptide, Dicalcium Phosphate, Chitosan, Nutrigold, Seedaid, Cartipep. The equity shares of the Transferee Company are listed on the BSE Limited ("**BSE**") Mumbai.
- D. The Transferor Company is having severe liquidity issues in servicing its debts especially towards the trade creditors and the advance payments from the promoters are going up in view of the continued loss making situation and it may take some time for the Transferor Company to tide over the situation to meet its payment commitments in the course of business. Further, it may require to provide for impairment losses in the Transferee Company's books for its investments into the Transferor Company following significant erosion in net worth owing to past accumulated losses. Consequent to the prevailing adverse financial conditions, banks show some reluctance to extend credit facilities to the Transferor Company on a standalone basis.
- E. The Scheme proposes the vesting of the undertaking of the Transferor Company into the Transferee Company, which will result in consolidation of the business carried on by the Transferor Company and Transferee Company as one single entity.
- F. Rationale for the Scheme

The Scheme shall enable the Transferee Company to reap several benefits including:

- (xii) Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
- (xiii) optimal utilization of resources and better working capital management;
- (xiv) overall cost efficiencies;
- (xv) greater integration and operational synergy;
- (xvi) seamless availability of technical expertise;

- (xvii) greater level of synergy in the Goods and Service Tax (GST) regime;
  - (xviii) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
  - (xix) Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present
  - (xx) Balance sheet becomes stronger;
  - (xxi) streamlining the group structure and rationalization;
  - (xxii) developing stronger base for future growth.
- G. Accordingly, it is proposed that the Transferor Company be merged with the Transferee Company, followed by the dissolution without winding up of the Transferor Company and the consequent cancellation of equity shares as well as Optionally Convertible Preference Shares (OCPS) held by the Transferee Company in the Transferor Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Act, in the manner provided for in the Scheme.
- H. Since the Transferor Company is a Subsidiary of the Transferee Company, upon this Scheme becoming effective, the equity shares and Optionally Convertible Preference Shares (OCPS) held by the Transferee Company (directly and/or through its nominees), in the Transferor Company will stand cancelled and as a consideration for the merger, the Transferee Company to issue redeemable preference shares to equity shareholders other than NGIL in the following manner stated hereinafter.
- I. The merger of the Transferor Company with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date (*as defined hereinafter*).
- J. The merger of the Transferor Company with the Transferee Company in accordance with this Scheme will be in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961, such that:
- a. all the properties of the Transferor Company, immediately before the merger, shall become the property of the Transferee Company, by virtue of the merger; and
  - b. all the liabilities of the Transferor Company, immediately before the merger, shall become the liabilities of the Transferee Company, by virtue of the merger.
- K. This Scheme is divided into the following parts:
- (i) **Part I**, which deals with the definitions and share capital of the Transferor Company and the Transferee Company;
  - (ii) **Part II**, which deals with the merger of the Transferor Company with the Transferee Company;
  - (iii) **Part III**, deals with alteration of authorized share capital of the Transferee Company and increase of issued ,subscribed and paid up share capital of the Transferee Company and the issue of new Preference Shares by the Transferee Company to the equity Shareholders other than NGIL of the Transferor Company
- AND
- (iv) **Part IV**, which deals with the dissolution without winding up of the Transferor Company, accounting treatment and general terms and conditions applicable to this Scheme.

## PART I

### 2. Definitions and Interpretation

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

- 2.1.1 “**Act**” means the Companies Act, 2013 (to the extent of the sections thereof that have been brought into force) and shall include any statutory modification, re-enactment or amendments thereto from time to time;
- 2.1.2 “**Appointed Date**” means 1<sup>st</sup> April, 2017 or such other date as may be recommended by the Boards of Directors and approved by the members of the Transferor Company and the Transferee Company or as modified by the Tribunal;
- 2.1.3 “**Board of Directors**” or “**Board**” in relation to each of the Transferor Company and the Transferee Company, as the case may be, means the Board of Directors of such Company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the merger, the Scheme and/or any other matter relating thereto;
- 2.1.4 “**Effective Date**” means the date on which the certified or authenticated copies of the order(s) sanctioning the Scheme, passed by the Tribunal is filed with the Registrar of Companies. Any references in this Scheme to the “date of coming into effect of this Scheme” or “effectiveness of the Scheme” or “Scheme taking effect” shall mean the Effective Date;
- 2.1.5 “**Employees**” mean the employees, if any, of the Transferor Company, as on the Effective Date which includes all permanent workmen, subordinate staff, clerical and non clerical and managerial staff;
- 2.1.6 “**Encumbrance**” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term “Encumbered” shall be construed accordingly;
- 2.1.7 “**Record Date**” means the date fixed by the Board of Directors of the Transferee Company or any committee thereof in consultation with the Transferor Company, for the purpose of determining names of the equity shareholders, who shall be entitled to receive the Redeemable Preference Shares in the Transferee Company pursuant to Clause 23 of the Scheme, upon coming into effect of this Scheme
- 2.1.8 “**Funds**” shall have the meaning assigned to it in Clause 10(c) hereof;
- 2.1.9 “**Governmental Authority**” means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission including a stock exchange or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body;
- 2.1.10 “**Liabilities**” shall have the meaning assigned to it in Clause 8(a) hereof;
- 2.1.11 “**Registrar of Companies**” means the Registrar of Companies, Kerala;
- 2.1.12 “**Scheme**” means this scheme of merger and amalgamation, as amended or modified in accordance with the provisions hereof;
- 2.1.13 “**SEBI**” means the Securities Exchange Board of India;
- 2.1.14 “**SEBI Scheme Circulars**” means SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, as further clarified by the Circular No. CFD/DIL3/CIR/2017/26 dated 23rd March, 2017, Circular No. CFD/DIL3/CIR/2017/105 dated 21st September, 2017, and Circular No. CFD/

DIL3/CIR/2018/2 dated 3rd January, 2018 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.

- 2.1.15 **“Stock Exchanges”** means the BSE Limited, Mumbai, where the shares of the Transferee Company are listed.
- 2.1.16 **“Transferee Company”** means Nitta Gelatin India Limited (NGIL);
- 2.1.17 **“Transferor Company”** means Reva Proteins Limited (RPL);
- 2.1.18 **“Tribunal”** or **“NCLT”** means Chennai Bench of the National Company Law Tribunal constituted under section 408 of the Companies Act 2013; and
- 2.1.19 **“Undertaking”** shall mean the entire business and the whole of the undertakings of the Transferor Company as a going concern, all its assets, rights, licenses and powers, and all its debts, outstanding, liabilities, duties and obligations as on the Appointed Date including, but not in any way limited to, the following:
- a. All the assets and properties (whether movable or immovable, agricultural and non-agricultural land, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without being limited to, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, office equipment, appliances, vehicles, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, 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 including sales tax deferrals, title, interests, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever 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 agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company's business activities and operations and which are not specifically mentioned herein.
  - c. Entitlements, including leasehold rights, held by the Transferor Company or which may accrue or become due to it as on the Appointed Date or may become so due or entitled to thereafter.



- d. All intellectual property rights, designs developed, records, files, papers, computer programmes, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company's business activities and operations.
- e. Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.
- f. Right to any claim, whether preferred or made by the Transferor Company or not, in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, availability of Minimum Alternate Tax credit, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, deferment of sales tax, any benefits under Package Scheme of Incentives under respective state laws as applicable, and the Cenvat / Modvat credit balances under the Central Excise Act, 1944, or any other or like benefits under the said acts or under and in accordance with any law or act or any law or act which may be enacted in future including but not limited to Goods and Service Tax coming under the Goods and Services Tax Act, 2017.
- g. All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised.
- h. All other obligations of whatsoever kind, including liabilities in respect of the employees of the Transferor Company with regard to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of voluntary retirement or retrenchment.
- i. All Employees of the Transferor Company will become employees of the Transferee Company, with the same benefits and privileges enjoyed by them in the Transferor Company.

2.2 References to Clauses, sub-Clauses and Recitals, unless otherwise provided, are to clauses, sub-clauses and recitals of and to this Scheme.

2.3 The headings herein alone shall not be taken for the purpose of the construction of this Scheme.

2.4 Unless the context otherwise requires, reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

2.5 The singular shall include the plural and vice versa; and references to one gender include all genders.

2.6 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.

2.7 Reference to a person includes any individual, firm, body corporate (whether incorporated or not), Governmental Authority, or any joint arrangements, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

### 3. **Operative date of the Scheme**

The Scheme set out herein in its present form or with any modification(s) and amendments(s) made in accordance with the provisions hereof, approved or directed by the Tribunal, shall be effective from the Appointed Date but shall be made operative from the Effective Date.

### 4. **Share Capital**

#### 4.1 Transferor Company,

(i) The share capital structure of the Transferor Company as on 3<sup>rd</sup> February, 2018, is as under:

<b>Authorised Share Capital</b>	<b>in Rupees</b>
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
2,00,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	20,00,00,000
<b>Total</b>	<b>40,00,00,000</b>
<b>Issued, subscribed and paid up</b>	<b>in Rupees</b>
1,88,60,520 Equity shares of ₹ 10 each	18,86,05,200
1,25,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	12,50,00,000
<b>Total</b>	<b>31,36,05,200</b>

- (ii) The Equity shares of the Transferor Company are not listed on any stock exchange.
- (iii) 74.6% Equity shares as well as 100% Preference shares of the Transferor Company are held by the Transferee Company (directly and/or through its nominees) and the remaining Equity Shares by the NGI, Japan.
- (iv) As on date of the Scheme being approved by the Board of Directors of the Transferor Company, there shall not be any change or composition in the authorized, issued, subscribed and paid up share capital of the Transferor Company so as to interfere with the valuation of the shares of the Transferor Company.

#### 4.2 Transferee Company

(i) The share capital structure of the Transferee Company as on 3<sup>rd</sup> February, 2018 is as under:

<b>Authorised Share Capital</b>	<b>in Rupees</b>
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
9,29,412 Optionally convertible Non-cumulative Preference Share of Rs.170 each	15,80,00,040
<b>Total</b>	<b>35,80,00,040</b>

<b>Issued, subscribed and paid up</b>	<b>in Rupees</b>
90,79,160 Equity shares of ₹ 10 each	9,07,91,600
9,29,412 Optionally convertible Non-cumulative Preference Share of Rs.170 each	15,80,00,040
<b>Total</b>	<b>24,87,91,640</b>

- (ii) As on date of the Scheme being approved by the Board of Directors of the Transferee Company, there shall not be any change or composition in the authorized, issued, subscribed and paid up share capital of the Transferee Company so as to interfere with the valuation of the shares of the Transferee Company.
- (iii) The company has issued 929,412 Nos of Optionally Convertible Non-Cumulative Preference Shares (OCPS) with a face value of Rs. 170/- each for cash at par on a preferential basis to M/s. Nitta Gelatin Inc., Japan, one of the promoters. Each holder of Preference shares is entitled to a preferential right for fixed dividend of 5.4029% (5 % + 6 months USD Libor as on record date ie, 17.04.2015) per annum on the face value of the OCPS, on a non-cumulative basis payable on pro-rata basis from date of allotment, if declared. The OCPS is convertible into an equal number of equity shares of face value of Rs 10/- each within 18 months from the date of allotment (i.e 28.04.2015), in one or more financial years, at a price of Rs 170/- each (inclusive of a premium of Rs. 160/- per share). All outstanding Optionally Convertible Non-Cumulative Preference Shares, which are not converted into equity shares at the end of the 18 months from the date of allotment are redeemable at par at the expiry of seven years from date of allotment or except as is otherwise repayable on the exercise of a put and call option at the expiry of five years from date of allotment subject to such approvals as may be required. No OCPS was converted into equity shares till the completion of the period of 18 months from the date of allotment

## PART II

### MERGER OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

#### Section 1 - Transfer

5. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in the Transferee Company, as a going concern in accordance with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company, by virtue of and in the manner provided in this Scheme.
6. **Transfer of assets**
  - a. Without prejudice to the generality of Clause 5 above, upon the coming into effect of the Scheme and with effect from the Appointed Date, all the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate, whether or not included in the books of the Transferor Company, and all assets and properties, 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 230 to 232 of the Act and all other applicable provisions of applicable law, if any, without any further act, deed or instrument, 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 be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date (or in case of any estate, assets, etc. acquired on a date after the Appointed Date, with effect from such date), the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities of the Transferee Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
  - b. Without prejudice to the provisions of sub-Clause (a) above, in respect of such of the assets and properties of the Transferor Company as are movable in nature (including shares, securities, stocks, bonds) or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, the same shall be so transferred by the Transferor Company upon the coming into effect of the Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 232 of the Act and all other applicable provisions of applicable law, if any, without requiring any deed or instrument of conveyance, cost or charge and without any notice or other intimation to any third party for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
  - c. In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in sub-Clause (b) above) including sundry debtors, receivables, bills, credits (including tax credits), loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, earnest money and deposits with any Government, quasi government, local or other authority or body or with any Company or other person, the same shall stand transferred to and vested in the Transferee Company and/ or deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect

from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of applicable law, if any.

- d. Upon the Scheme coming into effect and with effect from the Appointed Date, all immovable property (including but not limited to land, agricultural land, buildings, offices, factories, sites and any other immovable property, including accretions and appurtenances) of the Transferor Company, whether freehold or leasehold, and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company, without any act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfill all obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate Governmental Authorities and third parties pursuant to the sanction of the Scheme by the Tribunal and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. It is clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations as may be necessary for the purposes of the aforesaid mutation and/or substitution. The charges standing in the name of the Transferor Company shall become the charges in the name of the Transferee Company by virtue of the scheme of merger and amalgamation.
- e. All the licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, income tax benefits and exemptions, all other rights, exemptions and benefits including those acquired by the Transferor Company on or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable 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 transfer of the same, on coming into effect of the Scheme and with effect from Appointed Date, be and stand transferred to and vesting and/ or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- f. All the rights, remedies, claims and rights of action of the Transferor Company against third parties shall, pursuant to Sections 230 to 232 of the Act, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for transfer of the same, be and deemed to be rights, remedies, claims and rights of action of the Transferee Company upon the coming into effect of the Scheme and with effect from the Appointed Date.
- g. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

- h. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such times the name of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain banks accounts in the name of Transferor Company by the Transferee Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.

**7. Contracts, deeds etc.**

- (a) Upon the coming into effect of this Scheme and with effect from Appointed Date, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements 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 for, and which are subsisting or have effect immediately before the Effective Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable 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, continue in full force and effect on or against or in favour, as the case maybe, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto or thereunder.
- (b) It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the order of the Tribunal sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company under any contractual arrangements shall automatically stand transferred to and vested in and/ or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/ or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and stead of the Transferor Company, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.
- (c) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contractor arrangement to which

the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

- (d) For the avoidance of doubt and without prejudice to the generality of the foregoing, up on the coming into effect of the Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to, or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to, or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

## **8. Transfer of Liabilities**

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts and liabilities of the Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities, deferred tax liabilities and obligations under any licenses or permits or schemes), duties and obligations and undertakings of the Transferor Company of every kind, nature and description what so ever whether present or future, and how so ever arising, raised or incurred or utilized for its business activities and operations along with any charge, Encumbrance, lien or security thereon (herein referred to as the “**Liabilities**”), whether or not recorded in its books and records, shall, under the provisions of Sections 230 to 232 of the Act and other applicable provisions of applicable law, if any, without any further act, instrument, deed, matter or thing, 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, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date (or in case of any Liability incurred on a date after the Appointed Date, with effect from such 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 and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 8.
- (b) All Liabilities incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- (d) Where any Liabilities of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- (e) All Liabilities incurred or undertaken by the Transferor Company on or after the Appointed Date and 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 to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, 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 and shall become the

loans and liabilities, duties and obligations of the Transferee Company, which shall meet, discharge and satisfy the same.

- (f) Upon coming into effect of the Scheme, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability, including 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, *ipso facto*, 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.
- (g) 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 by virtue of 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 forms and returns with the Registrar of Companies to give formal effect to the above provisions, if required.
- (h) Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- (i) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- (j) The provisions of this Clause shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/ or superseded by the foregoing provisions.

## **9. Encumbrances**

- (a) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clause 5 and Clause 6 of this Scheme shall be subject to the Encumbrances, if any, affecting the same.
- (b) 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, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other 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.
- (c) The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of the Scheme.



## **10. Employees and directors**

- (a) Upon the coming into effect of this Scheme, the Employees as defined above, if any, shall, under the provisions of Sections 230 to 232 of the Act and 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 their transfer, become the employees of the Transferee Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the merger of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other term in all benefits, the past services of such Employees with the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- (b) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company.
- (c) In so far as the provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the Employees or to which the Transferor Company is contributing for the benefit of the Employees and other such funds, trusts, the benefits of which the Employees enjoy (collectively referred to as the "**Funds**"), all the contributions made to such Funds for the benefit of the Employees and the accretions thereto and the investments made by the Funds in relation to the Employees shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the Funds referred to above, such contributions, accretions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing Funds separately and contribute there to until such time that the Transferee Company creates its own funds, at which time the Funds and the investments, accretions and contributions pertaining to the Employees shall be transferred to the funds created by the Transferee Company.
- (d) In relation to those Employees who are not covered under the provident fund trust of the Transferor Company or who do not enjoy the benefit of any other provident fund trust, and for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company in relation to such provident fund trust shall become those of the Transferee Company.
- (e) Upon the coming into effect of this Scheme, the directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of a person who is already a director in the Transferee Company as of the Effective Date.

## 11. Legal, taxation and other proceedings

- a. 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.
  - b. The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Company referred to in sub-Clause (a) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by/ or against the Transferee Company.
12. Without prejudice to the provisions of Clauses 5 to 10, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.

## **Section 2 – Conduct of Business**

13. Upon the coming into effect of the Scheme, with effect from the Appointed Date and up to and including the Effective Date:
- (a) 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 all its estates, assets, rights, title, interest, authorities, contracts and investments for, and on account of, and in trust for, the Transferee Company;
  - (b) All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), 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 (including taxes), as the case maybe, of the Transferee Company;
  - (c) 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, including compliances such as tax deducted at source / tax collected at source under income-tax laws, compliances under sales tax, service tax, excise and other applicable laws 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 for the Transferee Company; and
  - (d) all taxes (including, without limitation , income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed

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

14. Subject to the terms of the Scheme, the transfer and vesting of the Undertaking 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, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.
15. 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.

### **Section 3 - Cancellation of Shares of the Transferor Company**

16. Upon the Scheme coming into effect, all equity shares and optionally convertible preference shares of the Transferor Company held by the Transferee Company (directly and/ or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that only redeemable preference shares shall be issued by the Transferee Company to other existing shareholders against the value of the equity shares held by them in the Transferor Company.

### PART III

#### SECTION 1- ALTERATION OF AUTHORISED CAPITAL OF THE TRANSFEREE COMPANY AND INCREASE OF ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL OF THE TRANSFEREE COMPANY

17. The provisions of this Part III shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

18. Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with authorized share capital of the Transferee Company giving a scope for enhancement of the authorized share capital of the Transferee Company even though the scheme does not envisage the issue of equity shares to the members of the Transferor Company by way of share exchange. Filing fees, stamp duty if any paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on its combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any additional filing fee, stamp duty on it increased authorized share capital.

19. For enabling the Transferee Company to issue redeemable preference shares to the other existing equity shareholder of the Transferor Company as a consideration for the merger, the Transferee Company shall enhance the authorized preference share capital by way of issuing 44,44,444 redeemable preference shares of Rs 10 each for allotment to the other existing equity shareholder of the Transferor Company.

20. Accordingly, Clause V(a) 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 sections 12, 61 and 64 and other applicable provisions of the Companies Act, 2013 and the rules framed there under, by deleting the existing clause and replacing it by the following:

“The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rs. Fifteen Crores Eighty Lakhs and Forty only)and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10 each aggregating to Rs20,00,00,000 (Rs Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs4,44,44,440 ( Rs. Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only) with power to increase and reduce the Capital for the time being of the Company into several classes and to attach thereto respectively preferential, qualified or special rights, privileges or conditions as such may be determined by or in accordance with the provisions of the Companies Act,2013 and Articles of Association of the Company and to vary, modify, or abrogate any such rights, privileges to conditions in such manner as may for the time being provided by the aforesaid regulations.”

21. Article 3 of the Articles of Association of the Transferee Company shall without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 14, 61 & 64 and other applicable provisions of the Companies Act, 2013 and the Rules framed there under by deleting the existing clause and replacing it by the following:

3“The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rupees Fifteen Crores Eighty Lakhs and Forty only)and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10/- each aggregating to Rs 20,00,00,000/- (Rupees Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to

Rs. 4,44,44,440/- ( Rupees Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only)

22. The approval of this scheme by the shareholders of the Transferee Company under section 230 and 232 of the Act, whether at a meeting or otherwise, shall be deemed to have the approval under sections 13, 61 and 64 and other applicable provisions of the Companies Act, 2013 and the rules framed there under and any other consents and approval required in this regard.

## **SECTION 2-ISSUE OF PREFERENCE SHARES BY TRANSFEREE COMPANY**

23. The share valuation of the Transferor and Transferee companies have been made in the valuation reports prepared by the Registered valuer and based on the report of the valuation of shares of the Transferor and Transferee companies ,upon the coming into the effect of this Scheme and in consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of this scheme, the Transferee Company shall subject to the provisions of Clause 20,21 and 22,without any further application, act, instrument or deed issue and allot to Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the Register of Members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up.

24. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Transferor or Transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme. The RPS to be issued by the Transferee Company pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Transferee Company.

25. The percentage of Minimum Public Shareholding of 25 % (MPS) criteria on fully diluted basis is maintained in post-merger paid up equity capital of the Transferee- Company.

## **PART IV**

### **DISSOLUTION OF TRANSFEROR COMPANY, ACCOUNTING TREATMENT AND OTHER TERMS AND CONDITIONS**

#### **26. Dissolution of Transferor Company**

- (a) Upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding-up, without any further act or deed.
- (b) On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

## **27. Accounting Treatment**

a) Upon the Scheme becoming effective, the Transferee Company shall account for the merger in its books of accounts as under:

- (i) The accounting shall be in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103): (Business combinations of entities under common control), notified under the Companies Act, 2013.
- (ii) Accordingly, on and from the Appointed Date and subject to the provisions hereof, including clause all assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
- (iii) In case of any difference in accounting policy between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statement reflects the financial position on the basis of consistent accounting policy.
- (iv) All costs and expenses incurred as per Clause 29 below as well as other costs incidental with the finalization of this Scheme and for operationalizing the Scheme and any other expenses or charges attributable to the implementation of the above Scheme including stamp duty payable, if any, on the basis of value of immovable properties of the Transferor Company transferred to the Transferee Company shall be debited to the profit & loss account of the Transferee Company. The costs to issue debt or equity securities shall be recognized in accordance with IND AS 32 and IND AS 109.
- (v) To the extent that there are inter-company loans, advances, deposits, balances or other obligations as between 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 accounts and records of the Transferee Company for the reduction of any assets or liabilities as the case maybe 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.
- (vi) Consideration if any to be issued to the other equity shareholders of the Transferee Company would be recorded at their nominal value in the books of the Transferor Company.
- (vii) The difference, if any, between the investments held by the Transferee Company and all assets, liabilities and reserves of the Transferor Company, along with the consideration if any to be paid to the other shareholders of the Transferor Company will be transferred to "other equity" portion under the head Equity of the Transferor Company.
- (viii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

## 28. Conditions precedent to the Scheme

- (a) The Scheme is conditional upon and subject to:
  - (i) The Scheme being approved by the requisite majorities of the various classes of members (where applicable) of the Transferor Company and the Transferee Company as required under the Act, or dispensation having been received from the Tribunal in relation to obtaining such approval from the members, and the requisite orders of the Tribunal being obtained in this regard and with the support of the simple majority of the public shareholders of the Transferee Company, being a listed entity;
  - (ii) The Scheme being approved by majority of the public shareholders through postal ballot and e-voting as per the requirements in terms of Part I(A)(9)(a) and (b) of Annexure I of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.
  - (iii) the Tribunal having accorded its sanction to the Scheme;
  - (iv) the receipt of pre-filing and post sanction approvals of the Stock Exchanges and SEBI in terms of the SEBI Scheme Circulars, as applicable; and
  - (v) the authenticated or certified copies of the order of the Tribunal approving the Scheme being filed with the Registrar of Companies, Kerala.
- (b) On the approval of the Scheme by the shareholders of the Transferor Company and the Transferee Company, in accordance with Section 230(1) of the Act, the shareholders of the Transferor Company and Transferee Company, respectively, shall be deemed to have also resolved and accorded all relevant consents under the Act to the extent the same may be considered applicable in relation to the arrangement set out in this Scheme and related matters.
- (c) In the event of this Scheme failing to take effect by 31<sup>st</sup> March, 2019 or such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to, or, be incurred *inter-se* between the parties or their shareholders or creditors or employees or any other person. In such case, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses or as may be otherwise mutually agreed.

## 29. Dividends

The Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to its shareholders in respect of the accounting period prior to the Effective Date and enjoy their equity rights under Articles of Association.

- (a) Prior to the effectiveness of the Scheme, the holders of the shares of the Transferor Company will continue to enjoy their existing rights under its Articles of Association, not entitled any dividends.
- (b) 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 shareholder of the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company, and subject to the approval, if required, of the shareholders of the Transferee Company.

**30. Applications**

The Transferor Company and the Transferee Company shall make necessary applications before the Tribunal for the sanction of this Scheme under Sections 230 to 232 of the Act, and any other applicable provisions of the Act.

**31. Resolutions**

Upon the coming into effect of the Scheme, the resolutions, if any, of the Transferor Company, relating to any powers to borrow, make investments, give loans, give guarantees, etc. approved under the provisions of the Act or any other applicable statutory provisions, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and the amounts under such resolutions shall be added to the amounts under like resolutions passed by the Transferee Company or shall become the amounts available to the Transferee Company as if the resolutions were passed by the Transferee Company.

**32. Modifications to the Scheme**

- (a) The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors), may, in their full and absolute discretion, jointly and as mutually agreed in writing:
  - (i) Assent to any alteration(s) or modification(s) to this Scheme which the Tribunal and/ or any other Governmental Authority may deem fit to approve or impose and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;
  - (ii) Give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to, and of the meaning or interpretation of this Scheme, or implementation thereof, 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 waive any of those (to the extent permissible under applicable law);
  - (iii) Jointly modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time;
  - (iv) Determine jointly whether any asset, liability, 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; and
  - (iv) Any modification to the Scheme by the Transferor Company and/ or the Transferee Company, after receipt of sanction by the Tribunal, shall be made only with the prior approval of the Tribunal.
- (b) Notwithstanding anything stated in Clause 31(a) hereinabove, no amendments or changes to the Scheme shall be carried out or be permissible unless and until the same are approved by the Tribunal.

**33. Severability**

- (a) The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically recommended otherwise by the respective Board of Directors of the Transferor Company and the Transferee Company and accordingly agreed to by the shareholders of the companies by the required majority in their respective general meetings.
- (b) If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/ or provisions of this Scheme.



34. Upon this Scheme becoming effective, the accounts of the Transferee Company, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.

35. The Transferee Company shall be entitled to file/ revise its income tax returns, TDS certificates, TDS returns, and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961, credit of tax deducted / collected at source, credit of taxes paid/ withheld etc., if any, as may be required consequent to implementation of this Scheme.

**36. Repeals and Savings**

Any matter filed with Registrar of Companies, Regional Director or the Central Government under the previous Companies Act, 1956, before the notification of the corresponding provisions under the Companies Act, 2013 and not fully addressed at that time shall be concluded by the Registrar, Regional Director or the Central Government, as the case may be, in terms of the previous Companies Act, 1956. Any direction or order given by the Tribunal under the provisions of the previous Companies Act, 1956 and any act done by the Transferor Company and / or Transferee Company based on such directions or order shall be deemed to be in accordance with and consistent with the provisions of the Companies Act, 2013. Accordingly, the provisions of the Companies Act, 2013, shall not apply to acts done by the Transferor Company and /or Transferee Company as per direction or order of the Tribunal sanctioning the Scheme prior to the commencement of the Companies Act, 2013.

**37. Costs**

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

**ANNEXURE – TERMS OF PREFERENCE SHARES**

**TERMS AND CONDITIONS FOR ISSUE OF REDEEMABLE PREFERENCE SHARES ('RPS')**

Dividend Rate on RPS	Six months Libor plus 500 basis points
Listed	RPS will not be listed on any Stock Exchange
Tenure of RPS	07 Years
Put & Call Option	There shall vest a right for put and call option for repayment at the expiry of 5 years from the date of allotment

**TERMS AND CONDITIONS OF RPS**

(to be printed on the reverse of the share certificate)

The following rights shall be attached to the preference shares of Rs.100/- each:

- I) The Preference Shares of Rs.100/- fully paid-up shall be non-convertible ;
- II) The Preference Shares shall be non-cumulative;
- III) The Preference Shares shall be non-participating;

- IV) In the event of winding up of NGIL (including capital uncalled for at the commencement of winding up) remaining after paying and discharging the debts and liabilities of NGIL and the cost of winding up shall be applied in the following order of priority:
- (a) in repayment of capital paid up or credited as paid up on the RPS;
  - (b) the surplus, if any, shall be divided amongst the holders of the equity shares according to the amounts paid up thereon.
- V) The Preference Shares shall be deemed to be allotted on the Effective Date.
- VI) The Preference Shares shall be taken as redeemed and fully discharged on payment of the redemption amount by NGIL to the holder thereof as per the Register of Preference Shareholder. Such payment will be a legal discharge of the liability of NGIL towards the Preference Shareholders.
- VII) The record date for payment of the redemption amount will be 30 days prior to each redemption date.
- VIII) The Preference Shareholders will not be entitled to any rights and privileges of equity shareholders, other than those available to them under statutory requirements.

**SSPA & CO.**  
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**STRICTLY PRIVATE & CONFIDENTIAL**

February 03, 2018

**The Board of Directors,  
Nitta Gelatin India Limited  
54/1446, SBT Avenue,  
Panampilly Nagar,  
Cochin – 682 036, Kerala.**

**The Board of Directors,  
Reva Proteins Limited  
54/1446, SBT Avenue,  
Panampilly Nagar,  
Cochin – 682 036, Kerala.**

**Re: Recommendation of fair share exchange ratio for the purpose of proposed amalgamation of Reva Proteins Limited with Nitta Gelatin India Limited**

Dear Madam(s)/ Sir(s),

As requested by the management of Nitta Gelatin India Limited (hereinafter referred to as 'NGIL') and Reva Proteins Limited (hereinafter referred to as 'RPL') (hereinafter collectively referred to as the 'Management'), we have undertaken the valuation exercise of equity shares of RPL to recommend a fair exchange ratio for the proposed amalgamation of RPL with NGIL (hereinafter collectively referred to as 'the Companies').

**1. PURPOSE OF VALUATION**

- 1.1 We have been informed that the management of RPL and NGIL are considering a proposal for the amalgamation of RPL with NGIL (hereinafter referred to as 'Amalgamation') through a Scheme of Amalgamation ('the Scheme') pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('the Act'). Subject to necessary approvals, RPL would be amalgamated with NGIL with effect from Appointed Date of April 01, 2017 ('Appointed Date').
- 1.2 In this regards, SSPA & Co., Chartered Accountants ("SSPA") have been appointed to recommend the fair share exchange ratio for the proposed amalgamation for consideration of the Boards of NGIL and RPL.
- 1.3 We have been represented by the Management that NGIL intends to discharge the consideration for amalgamation through issue of Redeemable Preference Shares



carrying a coupon of 6 months Libor + 500 basis points (hereinafter referred to as 'RPS') of INR 10 each to the equity shareholders of RPL. In view of this, there is no need to carry out valuation of equity shares of NGIL. Considering this, we have carried out a valuation of the equity shares of RPL with a view to recommend a ratio of exchange of RPS of NGIL to the equity shareholders of RPL for the proposed Amalgamation.

**2. BRIEF BACKGROUND**

**2.1 NITTA GELATIN INDIA LIMITED**

- 2.1.1 NGIL is Indo-Japanese joint venture between Kerala State Industrial Development Corporation Ltd., India and Nitta Gelatin Inc., Japan.
- 2.1.2 NGIL is engaged in the manufacture and sale of Gelatin, Ossein, Di Calcium Phosphate (DCP), Ossein (Limed), Chitosan and Collagen Peptide, which are used in various applications, including healthcare, personal care, food products and animal feed. NGIL's plants are located at Koratty, Kusumagiri, and Cherthala Taluk in the state of Kerala.
- 2.1.3 The equity shares of NGIL are listed on BSE Limited.

**2.2 REVA PROTEINS LIMITED**

- 2.2.1 RPL is a subsidiary of NGIL and is engaged in manufacture and sale of Limed Ossein, Ossein, Di Calcium Phosphate (DCP) and 8% Di Calcium Phosphate. RPL's manufacturing facility is situated at Bharuch, Gujarat.
- 2.2.2 We have been informed by the Management that post FY 2015-16, business model of RPL has changed from a job processor (job work services) for NGIL to an independent manufacturer and seller.
- 2.3 We have been informed that upon amalgamation becoming effective, the existing Optionally Convertible Non-Cumulative Preference Shares of RPL held by NGIL shall stand cancelled.

**3. SOURCES OF INFORMATION**

For the purpose of the valuation exercise, we have relied upon the following sources of information:

- (a) Audited Financial Statements of NGIL and RPL for the financial year ('FY') ended March 31, 2017.



- (b) Management certified Provisional Financial Statements of RPL for the 6 months period ended September 30, 2017 ('6ME Sep 17').
- (c) Financial Projections of RPL comprising of Balance Sheet and Statement of Profit and Loss for FY 2017-18 to FY 2022-23 as provided by the Management.
- (d) Discussions with the Management on various issues relevant for the valuation including the prospects and outlook for the industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc.
- (e) Other relevant details regarding the Companies such as their history, their promoters, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data as provided by the Management.
- (f) Information available in the public domain.

**4. EXCLUSIONS AND LIMITATIONS**

- 4.1 Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.
- 4.2 Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While SSPA has provided an assessment of the value based on the information available, application of certain formulae and within the scope and constraints of our engagement, others may place a different value to the same.
- 4.3 A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular.
- 4.4 In the course of the valuation, we were provided with both written and verbal information. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Management.
- 4.5 Our work does not constitute an audit or certification of the historical financial statements / prospective results of the Companies along with information sourced from public domain, referred to in this report. We have, therefore, not performed any due



diligence procedure on the historical data and information sourced from public domain. Further, we do not accept responsibility for the accuracy and completeness of the information provided to us by the Management or information sourced from public domain and 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 and consequential impact on the present exercise.

- 4.6 No investigation on the Managements' claim to title of assets of the Companies has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the liabilities disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 4.7 Our recommendation is based on the estimates of future financial performance as projected by the Management, which we are informed represents their view of reasonable expectation at the point of time when they were prepared, but such information and estimates are not offered as assurances that the particular level of income or profit will be achieved, or events will occur as predicted. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as our being associated with or a party to such projections.
- 4.8 This report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies along with any other matter, which may have an impact on our opinion, on the valuation including any significant changes that have taken place or are likely to take place in the financial position of the Companies subsequent to date of this report. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- 4.9 The fee for the engagement and this report is not contingent upon the results reported.
- 4.10 Our report is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, competition, taxation and capital market related laws or as regards any legal implications or issues arising in India or abroad from the proposed amalgamation. It also should not be construed as compliance



to ECB norms under which the Management is proposing to issue RPS as consideration for the Amalgamation.

- 4.11 The decision to carry out the transaction (including consideration thereof) lies entirely with the parties concerned. Any person intending to provide finance/invest in the shares/business of the Companies, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. Our work and our finding shall not constitute a recommendation as to whether or not the parties concerned should carry out the transaction.
- 4.12 Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report is as per agreed terms of our engagement.
- 4.13 This report is prepared only in connection with the proposed amalgamation exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall SSPA assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 4.14 SSPA nor its partners, managers, employees make any representation or warranty, express or implied, as to the accuracy, prudence or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

**5. VALUATION APPROACH**

- 5.1 For the purpose of valuation for amalgamation, generally the following approaches are adopted:
- (a) the 'Underlying Asset' approach,
  - (b) the 'Income' approach; and
  - (c) the 'Market' approach



- 5.2 As stated earlier, since RPS are being issued to the equity shareholders of NGIL as consideration for the proposed amalgamation, no valuation of equity shares of NGIL is required.
- 5.3 In the present case, RPL is intended to be valued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the 'Underlying Asset' approach is not adopted for the present valuation exercise.

**6. VALUATION AS PER INCOME APPROACH**

- 6.1 Under the 'Income' approach, shares of RPL have been valued using 'Discounted Cash Flow' (DCF) method.
- 6.2 Under the DCF method the projected free cash flows from business operations after considering fund requirements for projected capital expenditure and incremental working capital are discounted at the Weighted Average Cost of Capital (WACC). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.
- 6.3 The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to profit before tax, (i) depreciation and amortizations (non-cash charge), (ii) interest on loans, if any and (iii) any non-operating item. The cash flow is adjusted for outflows on account of capital expenditure, tax and change in working capital requirements.
- 6.4 WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the Company. In other words, WACC is the weighted average of the company's cost of equity and debt. Considering an appropriate mix between debt and equity for the Company, we have arrived at the WACC to be used for discounting the Free Cash Flows of the Companies.
- 6.5 Appropriate adjustments have been made for cash and cash equivalents, present value of 6% Optionally Convertible Non-Cumulative Preference Shares ('OCNCPS'), value of investments and outstanding debt after considering the tax impact wherever applicable to arrive at the Equity value.
- 6.6 The equity value so arrived at is divided by the outstanding number of equity shares to arrive at the value per equity share of RPL.





**7. VALUATION AS PER MARKET APPROACH**

- 7.1 The market price of an equity share as quoted on a stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.
- 7.2 Since the equity shares of RPL are not listed on any recognized stock exchanges, value under market approach is disclosed based on Comparable Companies Multiple Method.

**8. RECOMMENDATION OF FAIR EXCHANGE RATIO**

- 8.1 The fair basis of amalgamation of RPL with NGIL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above approaches, for the purposes of recommending a ratio of exchange it is necessary to arrive at a single value for the shares of the Companies. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative value of shares of the Companies to facilitate the determination of a ratio of exchange. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.
- 8.2 As mentioned earlier, the Management is proposing to issue RPS as consideration for amalgamation of RPL with NGIL. We have been further informed that RPS will carry a coupon of 6 months Libor + 500 basis points and shall be non-cumulative, non-participating and redeemable at par. We have been informed by the Management that the coupon of RPS is in compliance with existing EBC norms since RPS are being issued to promoters of NGIL (non-resident). Thus, the coupon of 6 months Libor + 500 basis points appears to be fair.
- 8.3 Further, shares of RPL are not listed on stock exchanges. Thus there is no market price available for the shares of RPL. Considering that RPL has recently changed business model from job processor to an independent manufacturer and seller, we have thought fit to give weightage only to value determined under Income Approach using DCF Method.



Valuation Approach	Value per share (INR)	Weight
Underlying Asset Approach *	1.27	-
Income Approach	9.27	1
Market Approach *	9.79	-
<b>Value per share</b>		<b>9.27</b>

\* Note: As mentioned earlier, we have not adopted the 'Underlying Asset' approach and 'Market' approach for the present valuation exercise. However, we have computed the value per share as per 'Underlying Asset' approach and 'Market' approach for information purpose only, as required by BSE Limited and National Stock Exchange of India Limited vide their circular No. LIST/COMP/02/2017-18 dated May 29, 2017 and NSE/CML/2017/12 dated June 01, 2017 respectively.

- 8.4 The share exchange ratio has been arrived on the basis of a relative valuation of the shares of the Companies based on the approaches explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the companies, having regard to information base, management representations and perceptions, key underlying assumptions and limitations.
- 8.5 In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheet but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:  
*'If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.'*



*must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.'*

- 8.6 In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this report, in our opinion, a fair ratio of exchange in the event of amalgamation of RPL with NGIL would be as under:

**One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) equity shares of RPL of INR 10/- each fully paid up.**

Thank you,  
Yours faithfully,

SSPA & Co



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

Signed by Parag Ved, Partner  
Membership No. 102432

Place: Mumbai



**SSPA & CO.**  
*Chartered Accountants*  
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August 28, 2018

**Mr. G Rajesh Kurup**  
 Company Secretary & Compliance Officer  
**Nitta Gelatin India Limited**  
 54/1446, SBT Avenue,  
 Panampilly Nagar,  
 Cochin – 682 036, Kerala.

Dear Sir,

**Re: Summary workings and Issue of Redeemable Preference Shares of fair value per share and fair exchange ratio for the proposed amalgamation of Reva Proteins Limited with Nitta Gelatin India Limited to be submitted with the stock exchanges**

This is in reference to your request for providing summary workings of fair value per share and fair exchange ratio for the proposed amalgamation ("amalgamation") of Reva Proteins Limited (hereinafter referred to as "RPL") with Nitta Gelatin India Limited (hereinafter referred to as "NGIL" or the "Company") for submission with the stock exchanges in the format as prescribed by per the circular number NSE/CML/2017/12 of National Stock Exchange of India Limited ('NSE') and LIST/COMP/02/2017-18 of BSE Limited ('BSE').

RPL is proposed to be amalgamated into NGIL, whereby NGIL will discharge the consideration to shareholders of RPL by issue of such number of Redeemable Preference Shares ('RPS') of face value INR 10 each carrying a coupon of 6 months Libor + 500 basis points to the shareholders of RPL based on the ratio of exchange. Considering this valuation of equity shares of NGIL has not been carried out and only valuation of equity shares of RPL with a view to recommend a ratio of exchange of RPS of NGIL to the equity shareholders of RPL has been carried out.

The equity share capital of RPL is given below:

Name of the equity shareholder	Shares	% of holding
Nitta Gelatin India Limited (NGIL)	140,60,520	74.55%
Nitta Gelatin Inc., Japan	48,00,000	25.45%
<b>Total</b>	<b>188,60,520</b>	<b>100.00%</b>



The entire Optionally Convertible Non-Cumulative Preference Shares (OCNCPS) is held by NGIL.

As part of the proposed Scheme of Amalgamation pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, existing OCNPS and equity shares held by NGIL in RPL will be automatically cancelled on amalgamation.

**Allotment of RPS based on ratio of exchange:**

- **Nitta Gelatin India Limited**

Under the amalgamation shares held by NGIL are being cancelled, therefore no RPS will be allotted to NGIL.

- **Nitta Gelatin Inc, Japan**

Particulars	Amount
No of equity shares held in RPL (Nos.)	48,00,000
Fair Value per share of RPL (INR)	9.27
Total Value of RPL's holding (INR Lacs) (Rounded off)	444.44

Accordingly, the ratio of exchange as required by the format is given below:

Valuation Approach	Nitta Gelatin India Limited		Reva Proteins Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	NA	NA	1.27	0
Income Approach	NA	NA	9.27	1
Market Approach	NA	NA	9.79	0
<b>Relative Value per Share</b>	<b>NA</b>		<b>9.27</b>	
<b>Exchange Ratio (Rounded off)</b>			<b>NA</b>	

Valuation of equity shares of NGIL is not required considering the fact that RPS is proposed to be issued to the Shareholders of RPL on amalgamation.

Value per equity shares of RPL is INR 9.27 and face value of Redeemable Preference Shares (RPS) proposed to be issued by NGIL is INR 10 each, therefore Share Exchange Ratio is One Hundred (100) RPS of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) equity shares of RPL of INR 10/- each fully paid up.



Based on the above NGIL will allot the following RPS to equity shareholders of RPL:

Name of the shareholder	RPS	Remarks
Nitta Gelatin India Limited (NGIL)	-	No RPS to be allotted since Inter Company Holding
Nitta Gelatin Inc., Japan	44,44,444	Based on Ratio of Exchange
<b>Total</b>	<b>44,44,444</b>	

Hope the above clarifies. Should you need further assistance, please feel free to contact us.

Thanking you,  
Yours sincerely,

*SSPA & Co*



**SSPA & Co.**  
**Chartered Accountants**  
(Signed by: Mr. Parag Ved, Partner)



**STRICTLY PRIVATE & CONFIDENTIAL**

03 February, 2018

**The Board of Directors**  
Nitta Gelatin India Limited  
50/1002, Panampilly Nagar,  
Ernakulam, Kerala, India - 682036

Dear Sirs,

**Sub.:** Fairness Opinion Certificate on the report on recommendation of Share Exchange Ratio by SSPA & Co. (Chartered Accountants).

**Re.:** Scheme of Amalgamation of Reva Proteins Limited with Nitta Gelatin India Limited and their respective shareholders ("Scheme").

This has reference to the request made by the management of Nitta Gelatin India Limited (hereinafter referred to as "NGIL" or "the Company") in connection with fairness opinion on the report on recommendation of Share Exchange Ratio by SSPA & Co. (Chartered Accountants) (hereinafter referred to as "the Valuer") for issue of redeemable preference shares of the Company, in connection with proposed merger of Reva Proteins Limited (hereinafter referred to as "RPL") with the Company.

**1. PURPOSE OF SHARE EXCHANGE REPORT BY THE VALUER**

1.1 The Board of Directors of NGIL, has considered and approved the Scheme of Amalgamation at their meeting held on 3<sup>rd</sup> February, 2018 providing for merger of RPL with NGIL. As consideration for the merger, NGIL would issue redeemable preference shares to the equity shareholders of RPL. The appointed date for the purpose of merger is April 1, 2017. NGIL holds 1,40,60,520 equity shares representing 74.55% of the total equity share capital of RPL. NGIL also holds 1,25,00,000 Optionally Convertible Non-Cumulative Preference Shares of RPL. The existing share capital of RPL held by NGIL is proposed to be cancelled as part of the proposed merger.





- 1.2 In this regard, SSPA & Co. (Chartered Accountants) was appointed by the Company to recommend a Share Exchange Ratio for the proposed merger.
- 1.3 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 regulation 37 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations 2015') read with SEBI Circular CFD/DIL3/CIR/2017/21, dated March 10, 2017 and SEBI Circular CFD/DIL3/CIR/2018/2, dated January 2, 2018 ('SEBI Circular').

## 2. BRIEF BACKGROUND OF COMPANIES

### 2.1 NITTA GELATIN INDIA LIMITED

- 2.1.1 Nitta Gelatin India Limited (hereinafter referred to as 'NGIL') is Indo-Japanese joint venture between Kerala State Industrial Development Corporation Ltd., India and Nitta Gelatin Inc., Japan.
- 2.1.2 NGIL is engaged in the manufacture and sale of Gelatin, Ossein, Di Calcium Phosphate (DCP), Ossein (Limed), Chitosan and Collagen Peptide, which are used in various applications, including water treatment, healthcare, personal care, food products and animal feed. NGIL's plants are located in Kerala at Koratty, Kusumagiri, and Cherthala Taluk.
- 2.1.3 The equity shares of NGIL are listed on BSE Limited.
- 2.1.4 NGIL has invested approx. INR 28.40 crores through 1,40,60,520 equity shares (74.55% of the total equity share capital in RPL) and INR 12.50 crores through 1,25,00,000 Non-Cumulative Optionally Convertible Preference Shares (hereinafter referred to as the 'OCNCPS') in RPL.

### 2.2 Reva Proteins Limited

- 2.2.1 Reva Proteins Limited is engaged in the manufacture and sale of Limed Ossein, Ossein, Di Calcium Phosphate (DCP) and 8% Di Calcium Phosphate. Its manufacturing facility is situated at Bharuch, Gujarat.
- 2.2.2 Post FY 2015-16, business model of RPL has changed from a job processor (job work services) to an independent manufacturer and seller.







2.2.3 Further, the products manufactured by RPL are primarily supplied to its group companies.

2.2.4 Current equity shareholding pattern of the Company is as follows:

Name of shareholders	Shares	% of holding
Nitta Gelatin India Limited	1,40,60,520	74.55%
Nitta Gelatin Inc., Japan	48,00,000	25.45%
<b>Total</b>	<b>1,88,60,520</b>	<b>100.00%</b>

### 3. SOURCES OF INFORMATION

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

- (a) Draft Scheme of Amalgamation u/s. 230 to 232 of the Companies Act, 2013 (and to the extent applicable provisions of the Companies Act, 1956)
- (b) Certified Report on Recommendation of Share Exchange Ratio for the Merger of RPL with NGIL dated 3<sup>rd</sup> February, 2018, issued by SSPA & Co (Chartered Accountants)
- (c) Certified Copy of Certificate of Incorporation and Memorandum and Articles of Association of NGIL and TLL
- (d) Audited Financial Statements of NGIL and RPL for the financial year ('FY') ended March 31, 2017.
- (e) Management certified Provisional Financial Statements of RPL for the 6 months period ended September 30, 2017 ('6ME Sep 17').
- (f) Financial Projections of RPL comprising of Balance Sheet and Statement of Profit and Loss for FY 2017-18 to FY 2022-23 as provided by the Management.
- (g) Discussions with the Management on various issues relevant for the valuation including the prospects and outlook for the industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc.

  
M. B. Panahi

- (h) Other relevant details regarding the Companies such as their history, their promoters past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data as provided by the Management.
- (i) Other such information and explanations as were required and which have been provided by SSPA & Co (Chartered Accountants).
- (j) Information available in the public domain.

#### 4. EXCLUSIONS AND LIMITATIONS

- 4.1 Conclusions reached by us are dependent on the information provided to us being complete & accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. We have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our certificate.
- 4.2 No investigation of the Companies' claim to title of assets has been made by us for the purpose of this exercise and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the account. Therefore, no responsibility is assumed for matters of a legal nature.
- 4.3 This certificate is prepared with a limited purpose / scope as identified / stated earlier and will be confidential being for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.
- 4.4 Our opinion is not, nor should it be construed as our opining or certifying the compliance of proposed merger with the provision of any law including Companies

  
N. B. S. Senthil



Taxation and other regulatory provisions or as regards any legal implications or issues arising thereon. Our opinion also does not address any matters otherwise than as expressly stated herein, including but not limited to matters such as corporate governance matters, shareholder rights or any other equitable considerations. We have also not opined on the fairness of any terms and conditions of the scheme other than the fairness, from financial point of view, of the Share Exchange Ratio

- 4.5 We do not express any opinion as to the price at which shares of the Company may trade at any time, including subsequent to the date of this opinion. In rendering our opinion, we have assumed, that the scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary Regulatory or third-party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Companies.
- 4.6 The Fairness Opinion is addressed only to the Board of Directors of Companies and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of Companies and the Stock Exchanges and also be made part of the explanatory statement to be circulated the shareholders and/or creditors of the Company. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Inga Capital's prior written consent. The Fairness Opinion should be read in totality and not in parts.
- 4.7 In no circumstances however, will Inga Capital or its directors, officers, employees and controlling persons of Inga Capital accept any responsibility or liability including any pecuniary or financial liability to any third party.
- 4.8 Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then we will not be liable for any consequences thereof. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third



  
INGA CAPITAL LTD.



party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

## 5. CONCLUSION

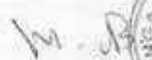
5.1 We have reviewed the approach used by the Valuer for recommending of share Exchange Ratio for the merger.

5.2 On the basis of the foregoing points read with regulation 37 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations 2015') and in terms of SEBI Circular CFD/DIL3/CIR/2017/21, dated March 10, 2017 and SEBI Circular CFD/DIL3/CIR/2018/2, dated January 2, 2018 ('SEBI Circular'), we are of the opinion that the recommendation made by SSPA & Co. (Chartered Accountants) is fair & reasonable with regards to Exchange Ratio for merger of RPL with NGIL which is as under:

100 (One Hundred) redeemable preference shares of face value of INR 10/- each fully paid up in NGIL for every 108 (One Hundred Eight) equity shares of face value of INR 10/- each fully paid-up in RPL.

Thanking you,  
Yours faithfully,

For Inga Capital Limited



Mihir B Pandhi  
Senior Manager  
Place: Mumbai





**Nitta Gelatin India Limited**  
(Formerly Kerala Chemicals and Proteins Limited)  
Joint venture of Kerala State Industrial Development Corporation Ltd. and Nitta Gelatin Inc.

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**REPORT OF THE BOARD OF DIRECTORS OF NITTA GELATIN INDIA LIMITED ON THE DRAFT SCHEME OF ARRANGEMENT AND AMALGAMATION BETWEEN REVA PROTEINS LIMITED AND NITTA GELATIN INDIA LIMITED PURSUANT TO THE PROVISIONS OF SECTION 232(2)(c) OF THE COMPANIES ACT, 2013**

**1. Background**

I. A meeting of the Board of Directors ("Board") of Nitta Gelatin India Ltd. was held on 3rd February, 2018 to consider and approve the draft Scheme of Merger and Amalgamation of Reva Proteins Limited ("RPL") with its Holding Company Nitta Gelatin India Limited ("NGIL") under Sections 230 to 232 read with sections 13, 14 and 61 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act ("Scheme"). The Scheme entails the following:

- a) the merger and amalgamation of Reva Proteins Ltd with its Holding Company, Nitta Gelatin India Ltd with effect from 1st April, 2017, being the Appointed Date and the consequential alteration of authorised share capital clause in the Memorandum and Articles of Association of Nitta Gelatin India Limited with effect from the Appointed Date viz., 1st April, 2017, in accordance with the draft Scheme of Merger and Amalgamation between Nitta Gelatin India Ltd and Reva Proteins Ltd and their respective shareholders and creditors ("Scheme") duly initialed by the Chairman for the purpose of identification and
- b) issue of Redeemable Preference Shares by Nitta Gelatin (India) Limited to the other equity shareholders of Reva Proteins Limited, other than NGIL as per the terms and conditions mentioned in the Scheme;

II. The Appointed Date for Merger and Amalgamation under the Scheme is 1st April, 2017. NGIL hold 74.55% of the equity share capital of RPL as on 31st March, 2018. The pre and post Scheme equity shareholding pattern of NGIL shall remain unchanged. The post Scheme preference shareholding pattern of NGIL shall be changed on issue of Redeemable Preference Shares as envisaged under the Scheme.

III. In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of the scheme, the Transferee Company shall subject to the provisions of Clause 20,21 and 22 of the Scheme, without any further application, act, instrument or deed issue and allot to Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the Register of Members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up.

IV. In terms of Section 232 (2)(c) of the Act, a report from the Board of the Company explaining the effect of the Scheme on each class of shareholders, key managerial



personnel, promoters, and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further the said report has to specify any special valuation difficulties, if any in the valuation. This report of the Board is made in order to comply with the requirements of Section 232 (2)(c) of the Act.

V. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record the following documents:

- a) Draft Scheme of Merger and Amalgamation of Reva Proteins Ltd with Nitta Gelatin India Ltd;
- b) Valuation report dated 3rd February, 2018 issued by SSPA & Co., Chartered Accountants.
- c) Fairness Opinion dated 3rd February 2018 issued by INGA Capital Limited, Independent (Category - I) SEBI registered Merchant Banker, providing the fairness opinion on the Valuation Report ("Fairness Opinion"); and
- d) Report of Audit Committee dated 3rd February 2018, recommending the Scheme after taking into consideration, inter alia, the Valuation Report, Auditor's Certificate and Fairness Opinion.

## 2. Rational of the Scheme

The Scheme shall enable the Transferee Company to reap several benefits including:

- i) Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
- ii) optimal utilization of resources and better working capital management;
- iii) overall cost efficiencies;
- iv) greater integration and operational synergy;
- v) seamless availability of technical expertise;
- vi) greater level of synergy in the Goods and Service Tax (GST) regime;
- vii) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
- viii) Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present.
- ix) Balance sheet becomes stronger;
- x) streamlining the group structure and rationalization;
- xi) developing stronger base for future growth

## 3. Valuation

The report on valuation has been obtained from SSPA & Co., Chartered Accountants, Independent Valuer. The valuation have been arrived at based on the various methodologies explained in the Report and various qualitative factors relevant to the business and the business dynamics and growth potentials of the business, having regard to information base, key underlying assumptions and limitations. The valuation has been reviewed for fairness by INGA Capital Limited, Independent (Category - I) SEBI registered Merchant Banker.



The consideration of 44,44,444 Redeemable Preference Shares of Rs 10 each, credited as fully paid up of the Transferee Company, in the share exchange ratio of One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up, has been approved by the management after taking into consideration the Valuation Report dated 3rd February, 2018 issued by SSPA & Co., Chartered Accountants, certifying the fair share exchange ratio.

4. Effect of Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders:

The Scheme of Merger and Amalgamation is between NGIL, the Holding Company and its subsidiary, RPL. Towards consideration, NGIL will issue Redeemable Preference Shares to the equity shareholders of RPL other than NGIL. Since consideration is offered through Redeemable Preference Shares and the equity shareholding pattern is remain unchanged post merger, the scheme will not have any adverse impact on the equity shareholders. Further, there is capital restructuring by way of issue of new class of Preference Shares i.e. Redeemable Preference Shares (RPS). Therefore, the Scheme does not have any seen impact on the Equity Shareholders. Since NGI, Japan will be the only class of preference shareholder, the scheme will have no adverse effect on them too. Further, there will be no adverse effect of the said Scheme on Key Managerial Personnel, Promoters, and Non-Promoter Shareholders of the Company.

By Order of the Board for Nitta Gelatin India Ltd



03.02.2018

G. Rajesh Kurup  
Company Secretary



## Reva Proteins Limited

Regd. Office: 54/1446  
SBT Avenue, Panampilly Nagar  
Cochin - 082 036, India  
Tel : 0484 2317805, 3099444  
Fax : 0484 2310568  
E-mail : sahas@nittagelatin.com

CIN NO : U24295KL2009PLC024529

Plot No. 832, 832 1 & 2  
GIDC Mega Industrial Estate  
Post Bag No. 37, Jhagadia GIDC  
P.O. Jhagadia, Bharuch Dist.  
Gujarat - 393 110, India  
Tel : 02645-226805 / 7  
E-mail : accounts@revaproteins.com  
purchase@revaproteins.com

### REPORT OF THE BOARD OF DIRECTORS OF REVA PROTEINS LIMITED ON THE DRAFT SCHEME OF ARRANGEMENT AND AMALGAMATION BETWEEN REVA PROTEINS LIMITED AND NITTA GELATIN INDIA LIMITED PURSUANT TO THE PROVISIONS OF SECTION 232(2)(c) OF THE COMPANIES ACT, 2013

#### 1. Background

I. A meeting of the Board of Directors ("Board") of Reva Proteins Ltd. was held on 3rd February, 2018 to consider and approve the draft Scheme of Merger and Amalgamation of Reva Proteins Limited ("RPL") with its Holding Company Nitta Gelatin India Limited ("NGIL") under Sections 230 to 232 read with sections 13, 14 and 61 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act ("Scheme"). The Scheme entails the following:

- a. the merger and amalgamation of Reva Proteins Ltd with its Holding Company, Nitta Gelatin India Ltd with effect from 1st April, 2017, being the Appointed Date and the consequential alteration of authorised share capital clause in the Memorandum and Articles of Association of Nitta Gelatin India Limited with effect from the Appointed Date viz., 1st April, 2017, in accordance with the draft Scheme of Merger and Amalgamation between Nitta Gelatin India Ltd and Reva Proteins Ltd and their respective shareholders and creditors ("Scheme") duly initialed by the Chairman for the purpose of identification and
- b. issue of Redeemable Preference Shares by Nitta Gelatin (India) Limited to the other equity share- holders of Reva Proteins Limited, other than NGIL as per the terms and conditions mentioned in the Scheme;

II. The Appointed Date for Merger and Amalgamation under the Scheme is 1st April, 2017. NGIL hold 74.55% of the equity share capital of RPL as on 31st March, 2018. The pre and post Scheme equity shareholding pattern of NGIL shall remain unchanged. The post Scheme preference shareholding pattern of NGIL shall be changed on issue of Redeemable Preference Shares as envisaged under the Scheme.

III. In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of the scheme, the Transferee Company shall subject to the provisions of Clause 20, 21 and 22 of the Scheme, without any further application, act, instrument or deed issue and allot to Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the Register of Members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10 each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up.

IV. In terms of Section 232 (2)(c) of the Act, a report from the Board of the Company explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further the said report has to





specify any special valuation difficulties, if any in the valuation. This report of the Board is made in order to comply with the requirements of Section 232 (2)(c) of the Act.

V. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record the following documents:

- a. Draft Scheme of Merger and Amalgamation of Reva Proteins Ltd with Nitta Gelatin India Ltd;
- b. Valuation report dated 3rd February, 2018 issued by SSPA & Co., Chartered Accountants and
- c. Report of Audit Committee dated 3rd February 2018, recommending the Scheme.

## 2. Rational of the Scheme

The Scheme shall enable the Transferee Company to reap several benefits including:

- i. Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
- ii. optimal utilization of resources and better working capital management;
- iii. overall cost efficiencies;
- iv. greater integration and operational synergy;
- v. seamless availability of technical expertise;
- vi. greater level of synergy in the Goods and Service Tax (GST) regime;
- vii. Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
- viii. Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present.
- ix. Balance sheet becomes stronger;
- x. streamlining the group structure and rationalization;
- xi. developing stronger base for future growth

## 3. Valuation

The report on valuation has been obtained from SSPA & Co., Chartered Accountants, Independent Valuer. The valuation have been arrived at based on the various methodologies explained in the Report and various qualitative factors relevant to the business and the business dynamics and growth potentials of the business, having regard to information base, key underlying assumptions and limitations.

The consideration of 44,44,444 Redeemable Preference Shares of Rs 10 each, credited as fully paid up of the Transferee Company, in the share exchange ratio of One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up, has been approved by the management after taking into consideration the Valuation Report dated 3rd February, 2018 issued by SSPA & Co., Chartered Accountants, certifying the fair share exchange ratio.

4. Effect of Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders:



The Scheme of Merger and Amalgamation is between NGIL, the Holding Company and its subsidiary, RPL. Towards consideration, NGIL will issue Redeemable Preference Shares to the equity shareholders of RPL other than NGIL. All the Equity shares and Optionally Convertible Preference shares held by the holding Company Nitta Gelatin India Limited will be cancelled and as against the Equity shares held by NGI, Japan, Redeemable Preference Shares are issued to them by the holding Company post merger. Hence, the scheme will not have any adverse impact on the equity shareholders. Upon coming into effect of the Scheme, the directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. The Scheme will not affect any directorship of a person who is already director in the Transferee Company. Further, there will be no adverse effect of the said Scheme on Key Managerial Personnel, Promoters, and Non-Promoter Shareholders of the Company.

By Order of the Board for Reva Proteins Ltd

  
G. Rajesh Kurup  
Company Secretary

03.02.2018





DCS/AMAL/SD/R37/1281/2018-19

September 28, 2018

The Company Secretary,  
NITTA GELATIN INDIA LTD  
54/1446, SBT Avenue,  
Panampilly Nagar, Kochi,  
Kerala- 682036

Sir,

**Sub: Observation letter regarding the Draft Scheme of Amalgamation of Nitta Gelatin India Ltd with Reva Proteins Ltd and their Respective Shareholders and Creditors.**

We are in receipt of Draft Scheme of Amalgamation of Nitta Gelatin India Ltd with Reva Proteins Ltd and their Respective Shareholders and Creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated September 26, 2018, has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall ensure that a statement is inserted in the scheme in compliance with Minimum Public Shareholding (MPS) requirement on fully diluted basis."
- "Company shall ensure that applicable information pertaining to unlisted Company-Reva Proteins Ltd is included in abridged prospectus as per specified format."
- "Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company shall duly comply with various provisions of the Circulars."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

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

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

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



BSE Limited (Formerly Bombay Stock Exchange Ltd.)  
Registered Office: Floor 25, P J Towers, Dabai Street, Mumbai 400 001, India  
T: 191 22 2272 | 234/331 | E: corp.com@bseindia.com | www.bseindia.com  
Corporate Identity Number: L6712018-G00591 C155183

(2)

shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

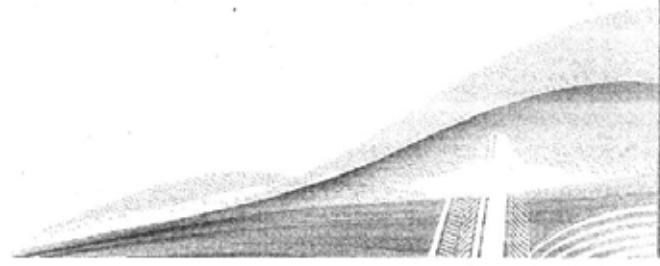
Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

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

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

Yours faithfully,

  
SD.  
Ninkumar Pujari  
Senior Manager



Annexure 7



**Nitta Gelatin India Limited**

(Formerly Kerela Chemicals and Products Limited)

Joint venture of Kerala State Industrial Development Corporation Ltd. and Nitta Gelatin Inc.

Post Box 4362  
54/1446 SBT Avenue  
Panampilly Nagar  
Cochin - 682 036 India  
Tel : 0484 3099444, 2317805  
Fax : 0484 2310568  
Email : ro@nittagelatin.com

GELATIN DIVISION  
Post Box 3108  
PO Inno Park, Kakkerad  
Cochin - 682 042 India  
Tel : 0484 3099333, 2415508  
Fax : 0484 2415004  
Email : gd@nittagelatin.com

OSSEIN DIVISION  
PO Kallikudam  
(VA) Kerala  
Tricheer - 689 308 India  
Tel : 0480 3099333, 2719498  
Fax : 0480 2719943  
Email : oo@nittagelatin.com

CIN : L24299KL1975PLC002691

Website : www.gelatin.in

**Report on Complaints**

**Part A**

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

**Part B**

Sr. No	Name of Complainant	Date of Complaint	Status (Resolved/Pending)
1	Not Applicable		
2			
3			

Place: Ernakulam

Date: 27/09/2018

For NITTA GELATIN INDIA LIMITED

G. RAJESH KURUP (ACS No: 8453)  
Company Secretary



**Annexure 8**

<b>Pre and Post Merger Equity Shareholding Pattern-Nitta Gelatin India Ltd</b>				
<b>Category</b>	<b>Pre Merger Equity Shares</b>		<b>Post Merger Equity Shares</b>	
A. Promoter	No. of Shares	% of Holding	No. of Shares	% of Holding
Nitta Gelatin Inc. Japan	3900300	42.96	3900300	42.96
Kerala State Industrial Development Corporation	2862220	31.53	2862220	31.53
<b>Total A</b>	<b>6762520</b>	<b>74.49</b>	<b>6762520</b>	<b>74.49</b>
B. Public	2316640	25.51	2316640	25.51
C. Custodian	-	-	-	-
<b>Total A+B+C</b>	<b>9079160</b>	<b>100</b>	<b>9079160</b>	<b>100</b>

<b>Pre and Post Merger Preference Shareholding Pattern-Nitta Gelatin India Ltd</b>				
<b>Category</b>	<b>Pre Merger Preference Shares</b>		<b>Post Merger Preference Shares</b>	
A. Promoter	No. of Shares	% of Holding	No. of Shares	% of Holding
Nitta Gelatin Inc. Japan				
1. Optionally Convertible Non Cumulative Preference Shares (OCPS)	929412	100	929412	100
2. Redeemable Preference Shares (RPS)	Nil		44,44,444	100
Kerala State Industrial Development Corporation	-	-	-	-
<b>Total A</b>	<b>929412</b>	<b>100</b>	<b>5373856</b>	<b>100</b>
B. Public	-	-	-	-
C. Custodian	-	-	-	-
<b>Total A+B+C</b>	<b>929412</b>	<b>100</b>	<b>5373856</b>	<b>100</b>

Annexure 9

<b>Pre and Post Merger Equity Shareholding Pattern-Reva Proteins Ltd.</b>				
<b>Category</b>	<b>Pre Merger Equity Shares</b>		<b>Post Merger Equity Shares</b>	
	No. of Shares	% of Holding	No. of Shares	% of Holding
A. Promoter				
Nitta Gelatin India Limited	14060520	74.55	Merged	
Nitta Gelatin Inc. Japan	4800000	25.45		
Total A	18860520	100		
B. Public	-	-		
C. Custodian	-	-		
<b>Total A+B+C</b>	<b>18860520</b>	<b>100</b>		

<b>Pre and Post Merger Preference Shareholding Pattern-Reva Proteins Ltd.</b>				
<b>Category</b>	<b>Pre Merger Preference Shares</b>		<b>Post Merger Preference Shares</b>	
	No. of Shares	% of Holding	No. of Shares	% of Holding
A. Promoter				
Nitta Gelatin India Limited			Merged	
Optionally Convertible Non Cumulative Preference Shares (OCPS)	12500000	100		
Nitta Gelatin Inc. Japan	-	-		
Total A	12500000	100		
B. Public	-	-		
C. Custodian	-	-		
<b>Total A+B+C</b>	<b>12500000</b>	<b>100</b>		



November 05, 2018

The Board of Directors  
Nitta Gelatin India Limited  
50 / 1002, Panampilly Nagar,  
Ernakulam, Kerala – 682036

Dear Sir / Madam,

Subject: Scheme of Amalgamation of Reva Proteins Limited with Nitta Gelatin India Limited and their respective shareholders ("Scheme").

This has reference to the request made by the management of Nitta Gelatin India Limited ("NGIL") in connection with certifying the accuracy and adequacy of disclosures pertaining to Reva Proteins Limited made in the abridged prospectus, prepared by Nitta Gelatin India Limited to be sent to the shareholders of Nitta Gelatin India Limited and Reva Proteins Limited, pursuant to the Scheme.

The Reva Proteins Limited (Transferor Company) is a Subsidiary of Nitta Gelatin India Limited (Transferee Company) with 74.6% equity stake and the balance held by Nitta Gelatin Inc. Japan (NGI, Japan). The Transferee Company is also holding 100% Optionally Convertible Preference Share (OCPS) Stake in Transferor Company. The shares of the Transferor Company are not listed any stock exchanges. The Transferor Company is primarily engaged in the business of manufacturing of limes Ossein, Ossein, Dicalcium Phosphate and 8% dicalcium Phosphate. The Scheme involves transfer and vesting of Undertaking of Transferor Company in the Transferee Company, Upon the Scheme becoming effective, the equity shares and Optionally Convertible Preference Shares (OCPS) held by the Transferee Company, in the Transferor Company will stand cancelled and as a consideration for the merger, the Transferee Company to issue redeemable preference shares to equity shareholders other than NGIL.

We have been provided the abridged prospectus pertaining to Reva Proteins Limited ("Abridged Prospectus", enclosed herewith) as prepared by Nitta Gelatin India Limited. The Abridged Prospectus will be circulated to the members of Nitta Gelatin India Limited and Reva Proteins Limited at the time of seeking their approval to the Scheme as part of the explanatory statement to the notice.

Based on the information, undertakings, certificates, confirmations and documents provided to us by NGIL and Reva Proteins Limited, we hereby confirm that the information contained in the Abridged Prospectus is accurate and adequate in terms of the paragraph 3(a) of Annexure 1 of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 (SEBI Circular) read with the format provided in Part D of Schedule VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and SEBI Circular CIR/CFD/DIL/7/2015 dated October 30, 2015, as applicable (Abridged Prospectus Format).

The above confirmation is based on the information furnished and explanations provided to us by the management of NGIL and Reva Proteins Limited assuming the same is complete and accurate in all material aspects on an as is basis. We have relied upon financials, information and representations furnished to us on an as is basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express



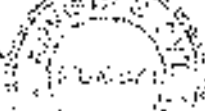
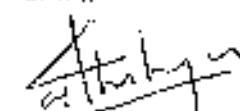




an opinion on the fairness of any such financial information referred to in the Abridged Prospectus. This Certificate is a specific purpose certificate issued in terms of the SEBI Circular and hence, it should not be used for any other purpose or transaction. This certificate is not, nor should it be construed to be, a certification of compliance of the Scheme with the provisions of applicable law including company, taxation and securities markets related laws or as regards to any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

We express no opinion whatsoever and make no recommendation at all as to the Company's underlying decision to effect the Scheme or as to how the holders of equity shares should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Scheme or its success. We also express no opinion, and accordingly, accept no responsibility as to the financial performance of NGIL or Reva Proteins Limited following the consummation of the Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Company.

For Inga Advisors Private Limited



Authorised Signatory

Name: S. Karthikeyan

SEBI Registration No. INM0000012573

**APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS  
 (AS PROVIDED IN PART D OF SCHEDULE VIII OF THE ICDR REGULATIONS)**

Abridged Prospectus/ Memorandum containing information pertaining to the unlisted company, Reva Proteins Limited (hereinafter referred as "Reva" or "Transferor Company") which is a party to the Scheme of Merger and Amalgamation proposed to be made between Nitta Gelatin India Limited (hereinafter referred as "NGIL" or "Transferee Company") and the said Reva Proteins Limited which is a Subsidiary of NGIL and their respective shareholders and Creditors pursuant to Section 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the "Scheme")

This document is prepared pursuant to paragraph I.A.3(a) of Annexure I of the Securities and Exchange Board of India ("SEBI") Circular bearing number CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular") and Regulation 37 of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015 ("LODR") read with the said SEBI Circular and contains the applicable information in the format for abridged prospectus as provided in Part D of Schedule VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR"). You are also encouraged to read the other details in the Scheme and other documents available on the website of NGIL.

**THIS ABRIDGED PROSPECTUS CONSISTS OF 7 (SEVEN) PAGES. PLEASE ENSURE YOU HAVE READ ALL THE PAGES.**

**REVA PROTEINS LIMITED**

Registered Office: 50 / 1002 ,Panampilly Nagar, Ernakulam, Kerala – 682036  
 Contact Person: G Rajesh Kurup  
 Phone No: 91 484 3099444, 2317805  
 Email: rajeshkurup@nittagelindia.com  
 Corporate Identity Number- U24295KL2009PLC024529  
 Factory: Plot no. 832, GIDC Industrial Estate, Jhagadia 393 110, Dist. Bharuch, Gujarat, India

**NAME OF THE PROMOTERS OF THE COMPANY**

<b>Name</b>	: Nitta Gelatin India Limited	<b>Name</b>	: Nitta Gelatin Inc.
<b>PAN</b>	: AABCK1582H	<b>PAN</b>	: AACCN4562F
<b>Address</b>	: 54/1446, SBT Avenue, Panampilly Nagar Cochin 682 036, India	<b>Address</b>	: 4-26, Sakuragawa, 4-Chome, Naniwa-ku, Osaka- 556-0022 Japan



**CONSIDERATION UNDER THE SCHEME OF MERGER AND AMALGAMATION AND LISTING DETAILS**

In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of this scheme, the Transferee Company shall issue and allot to the Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the register of members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs. 10 each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) equity shares of RPL of INR 10/- each fully paid up.

Redeemable Preference Shares will not be listed on any Stock Exchanges.

**STATUTORY AUDITORS**

Name: Varma & Varma, Ernakulam  
"Sreeraghavam"  
Kerala Varma Tower Building No.53/2600 B, C, D & E  
Off. Kunjanbava Road  
Vytilla, Kochi 682019  
Ph: 0484 2302223, Fax: 0484 2306046  
Email id: [kochi@varmaandvarma.com](mailto:kochi@varmaandvarma.com)



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**PROMOTERS OF REVA PROTEINS LIMITED**

Brief of Nitta Gelatin (India) Limited and Nitta Gelatin Inc, Japan

NGIL was incorporated on 30.04.1975 under the provisions of the Companies, Act 1956 vide certificate of incorporation of even date issued by the Registrar of Companies. NGIL has its registered office at 50 / 1002, Panampilly Nagar, Ernakulam, Kerala - 682036, India. The CIN number of the Company is L24299KL1975PLC002691. Its name has been changed from Kerala Chemicals and Proteins Limited to Nitta Gelatin India Limited effect from 02.06.2008. The equity shares of NGIL are listed and traded on BSE Limited. NGIL is engaged in the business of production and marketing of Ossein, Gelatin, Collagen Peptide, Dicalcium Phosphate, Chitosan, Nutrigold, Seedaaid and Carti pep.

Shareholding Pattern of NITTA GELATIN INDIA LTD. as at September 30, 2018

**Equity Shares**

S. No.	Name of Shareholders	No of Shares	Percentage of holding
1	Nitta Gelatin Inc. Japan	39,00,300	42.96
2	Kerala State Industrial Development Corpn	28,62,220	31.52
3	Public	23,16,640	25.52
	Total	90,79,160	100.00

Nitta Gelatin Inc

NGI Japan is an MNC having its place of business at Osaka Japan engaged in Gelatin manufacture and marketing among others. They are also listed for the shares, in the Tokyo Stock exchange. The major shareholders are as given herein below:-

Shareholding Pattern of NITTA GELATIN INC. as at September 30, 2018

S. No.	Name of Shareholders	No of Shares	Percentage of holding
1	IBP Co.	35,00,116	19.05
2	Master Trust Bank of Japan, T.	10,52,700	5.73
3	Nitta Corp.	8,40,014	4.57
4	Sumitomo Mitsui Banking	6,30,286	3.43
5	MUFG Bank	6,21,074	3.38
6	Employees' Stockholding	4,95,900	2.70
7	Japan Trustee Services, T.	3,95,100	2.15
8	Ishizuka Corp.	3,90,914	2.13
9	Resona Bank	3,34,672	1.82
10	Japan Trustee Services, T5	2,68,100	1.46
11	Others (7762 nos)	98,45,098	53.58
	Total	183,73,974	100.00

4



## BUSINESS MODEL OVERVIEW AND STRATEGY

RPL was incorporated on July 30, 2009 under the provisions of the Companies, Act 1956 vide certificate of incorporation dated July 30, 2009 issued by the Registrar of Companies. RPL is an unlisted public limited company, having its registered office at 50 / 1002, Panampilly Nagar, Ernakulam, Kerala - 682036, India.

RPL is authorised by its Memorandum of Association to carry on the business of "To manufacture, import, export, trade and deal, in Ossein and products and components of Ossein, Di Calcium Phosphate and products and components of Di Calcium Phosphate, Gelatin and products and components of Di Calcium Phosphate, Gelatin and products and components of Gelatin, Glue and its related products and components, raw material for Ossein including Degreased Bone and Crushed Bone and related products viz, tallow, Bone Meal and other bone products, meat and meat products, other components used for the manufacture of Gelatin like Chitosan, Fish oil etc, organic manure and other derivatives and components and by products obtained during the course of manufacture of the above and run slaughter houses, independently or in Joint ventures."

RPL is a subsidiary of NGIL and is engaged in manufacture and sale of Ossein, Limed Ossein, Di Calcium Phosphate (DCP and 8% Di Calcium Phosphate. RPL's manufacturing facility is situated at Bharuch, Gujarat;

Post the FY 2015-16, the business model of RPL has changed from a Job Processor (Job work services) for NGIL to an independent manufacturer and seller.

On coming into effect of the proposed Scheme, RPL will merge with NGIL and the existing Optionally Convertible Preference shares of RPL held by NGIL shall stand cancelled.

## BOARD OF DIRECTORS

Details of Board of Directors of Reva Proteins Limited				
S.No	Name	PAN / DIN	Designation	Other directorship
1	Kumara Panicker Lalitha Kumar	00004804	Director	Nil
2	Sajiv Menon Kumar	00168228	Director	1. Nitta Gelatin India Limited 2. Bamni Proteins Limited
3	Vijayan Menon	01141134	Director	Our Investments Enterprise Limited
4	Mattappillil Thankappan Binilkumar	03161942	Nominee Director	1. Calicut Granites Pvt Ltd 2. Rubber Wood India Private Limited 3. Hill Country Hotels And Resorts India Limited
5	Bhargaviamma Shajimohan	03409101	Director	Nil
6	Mattathil Antony Xavier	07117456	Managing Director	Nil
7	Parameswaran Sahasranaman	07644126	Director	Bamni Proteins Limited
8	Shinya Takahashi	07809828	Director	1. Nitta Gelatin India Limited 2. Bamni Proteins Limited

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## Brief Experience of the Directors

1. Kumara Panicker Lalitha Kumar : Mr. K L Kumar had a long stint in corporate sector comprising 15 years in engineering consultancy services besides 22 years, service with Kochi Refineries limited(KRL) of which 12 years was as its Chairman and MD. He was an Independent Director of the Company.
2. Sajiv Menon Kumar : Mr. Sajiv K. Menon had a long tenure of more than 33 years' experience in various capacities in Engineering and Chemical Industries before taking charge as Managing Director of NGIL on 01.04.2014.
3. Vijayan Menon : Mr. Vijayan Menon served in the Ministry of corporate Affairs (MCA) Government of India, spanning over 30 years, in various capacities, before retiring as Joint Director, Office of the Regional Director.
4. Mattappillil Thankappan Binilkumar : Mr. M T Binilkumar has varied experience working with the Govt. owned Kerala state Industrial Development Corporation Ltd .(KSIDC). He is presently Asst. General Manager in KSIDC, Cochin Office.
5. Bhargaviamma Shajimohan : Mr. B Shaji Mohan has 33 years of experience working with NGIL, presenting in the capacity an Executive Director (CO)
6. Mattathil Antony Xavier : Mr. M. A Xavier has vast experience in the holding Company ie Nitta Gelatin India Ltd. He is currently holding the post of Managing Director in Reva Proteins Limited.
7. Parameswaran Sahasranaman : Mr. P. Sahasranaman has 18 years post qualification experience in the Finance & Accounts of Nitta Gelatin India Limited under various capacities. Now working as its CFO.
8. Shinya Takahashi : Dr. Shinya Takahashi held various positions in NGI, Japan before acting as their General Manager (QA) before joining the Board of Directors of NGIL as its Whole time Director designated as Director (Technical).



**CAPTIAL STRUCTURE AND SHAREHOLDING PATTERN**

Capital Structure	Amount in INR
Particulars	
Authorised Share Capital	
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
2,00,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	20,00,00,000
<b>Total</b>	<b>40,00,00,000</b>
Issued Subscribed and Paid up	
1,88,60,520 Equity Shares of Rs.10 each	18,86,05,200
1,25,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	12,50,00,000
<b>Total</b>	<b>31,36,05,200</b>

**Equity Shares**

S. No.	Name of Shareholders	Pre Scheme holding of Shares	Percentage of holding
1	Nitta Gelatin India Limited (Promoter)	1,40,60,520	74.55
2	Nitta Gelatin Inc. Japan	48,00,000	25.45
	Total	1,88,60,520	100.00

**Optionally Convertible Preference Shares**

S. No.	Name of Shareholders	Pre Scheme holding of Shares	Percentage of holding
1	Nitta Gelatin India Limited (Promoter)	12,50,00,000	100.00
	Total	12,50,00,000	100.00





**AUDITED FINANCIALS**

<b>Standalone</b>					
	As on March 31, 2018*	As on March 31, 2017*	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014
Revenue from Operations	263,263,627	329,283,879	65,020,090	77,266,500	126,886,563
Other Income	3,046,454	5,182,064	2,920,751	641,769	3,147,999
Total Revenues	266,310,081	334,465,943	67,940,841	77,908,269	130,034,562
Net Profit / Loss before tax and extraordinary items	(127,081,349)	(87,187,144)	(94,116,974)	(70,862,584)	(23,106,026)
Extraordinary items	-	-	-	10,529,854	-
Net Profit / Loss after tax and extraordinary items	(127,081,349)	(87,187,144)	(94,116,974)	(81,392,448)	(23,106,026)
Equity Share Capital (Issued Subscribed & Paid Up)	188,605,200	188,605,200	188,605,200	188,605,200	188,605,200
Reserves and Surplus (other equity)	(200,431,009)	(73,222,909)	(74,830,951)	19,286,023	100,678,471
Net Worth	(11,825,809)	115,382,291	238,774,249	207,891,223	289,283,671
Basic Earnings per Share (INR)	(6.74)	(4.62)	(4.13)	(4.32)	(1.23)
Diluted Earnings Per Share (INR)	(6.74)	(4.62)	(4.13)	(4.32)	(1.23)
Return on Net Worth %	-1074.61%	-75.56%	-39.42%	-39.15%	-7.99%
Net Asset Value per Share (INR)	-0.63	6.12	6.03	11.02	15.34

Note:

1. Information has been taken from Annual Reports of Reva Proteins for all the above periods
2. For the year ended March 31, 2018 and March 31, 2017 are based on Ind AS
3. Net worth has been calculated by For the year ended 31<sup>st</sup> March 2016 – Networth is the sum of Equity capital + Preference Capital + Reserves & Surplus. For other years – Networth is the sum of Equity capital + Other Equity
4. Basic EPS and Diluted EPS has been calculated by – Net profit/(Loss) for the year divided by Weighted Average No. of Equity shares.
5. Return on Net Worth % - Net profit/(Loss) for the period divided by Net Worth X 100
6. Net Asset Value per Share (INR) calculated – Net worth less preference capital , if any, divided by No of Equity shares



## DETAILS OF SCHEME AND RATIONALE OF THE SCHEME

### Scheme Summary

The Transferor Company is a Subsidiary of Transferee Company with 74.6% equity stake and the balance held by Nitta Gelatin Inc. Japan (NGI, Japan). The Transferee Company is also holding 100% Optionally Convertible Preference Share (OCPS) Stake in Transferor Company. The shares of the Transferor Company is not listed any stock exchanges. The Transferor Company is primarily engaged in the business of manufacturing of limes Ossein, Ossein, Dicalcium Phosphate and 8% dicalcium Phosphate. Upon the Scheme becoming effective, the equity shares and Optionally Convertible Preference Shares (OCPS) held by the Transferee Company, in the Transferor Company will stand cancelled and as a consideration for the merger, the Transferee Company to issue redeemable preference shares to equity shareholders other than NGIL.

In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of this scheme, the Transferee Company shall issue and allot to the Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the register of members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10 each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) equity shares of RPL of INR 10/- each fully paid up.

### Rationale of the Scheme

The Scheme shall enable the Transferee Company to reap several benefits including:

- (i) Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
- (ii) optimal utilization of resources and better working capital management;
- (iii) overall cost efficiencies;
- (iv) greater integration and operational synergy;
- (v) seamless availability of technical expertise;
- (vi) greater level of synergy in the Goods and Service Tax (GST) regime;
- (vii) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
- (viii) Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present
- (ix) Balance sheet becomes stronger;
- (x) streamlining the group structure and rationalization;
- (xi) developing stronger base for future growth.



## **RISK FACTORS RELATED TO REVA PROTEINS LIMITED**

1. Process water availability depends on water level in Narmada River. During less rain period water availability can affect production and thereby performance of the Company.
2. The Scheme of Merger and Amalgamation is subject to
  - (i) The Scheme being approved by the requisite majorities of the various classes of members (where applicable) of the Transferor Company and the Transferee Company as required under the Act, or dispensation having been received from the Tribunal in relation to obtaining such approval from the members, and the requisite orders of the Tribunal being obtained in this regard and with the support of the simple majority of the public shareholders of the Transferee Company, being a listed entity;
  - (ii) The Scheme being approved by majority of the public shareholders through postal ballot and e-voting as per the requirements in terms of Part I(A)(9)(a) and (b) of Annexure I of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.
  - (iii) the Tribunal having accorded its sanction to the Scheme;
  - (iv) the receipt of pre-filing and post sanction approvals of the Stock Exchanges and SEBI in terms of the SEBI Scheme Circulars, as applicable; and
  - (v) the authenticated or certified copies of the order of the Tribunal approving the Scheme being filed with the Registrar of Companies, Kerala.

In case any of the above approval / sanction are not received the proposed Scheme of Merger and Amalgamation will not be completed, which will adversely impact Reva Proteins ability to conduct its business activities as contemplated in the said Scheme of Merger and Amalgamation.

## **SUMMARY OF OUTSTANDING LITIGATION**

- a. Litigation against the Company- NIL
- b. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the promoters in the last 5 years including outstanding action, if any - NIL
- c. Brief details of outstanding criminal proceedings against Promoters – NIL

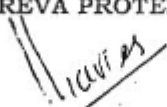

## **MATERIAL EVENTS / DEVELOPMENTS IN LAST THREE YEARS IN THE COMPANY**

- Common Effluent discharge line to sea commissioned in July 2017 and made available to RPL for use.
- Revised CCA received from GPCB for water discharge to sea; in July 2017.
- Consent received from GPCB to increase water usage from 1180 to 1380 m<sup>3</sup>/day.
- DCP production started from July 2017 subsequent to stoppage of 8% DCP.
- Plant approval certificate from Capexil in 2016.



**DECLARATION**

We hereby declare that all relevant provisions of SEBI Circular bearing No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Part D of Schedule VIII of SEBI (ICDR) Regulations, 2009 have been complied with and no statement made in this document is contrary to the said provisions. We further certify that all statements in this document are true and correct.

<p>For <b>REVA PROTEINS LIMITED</b></p>  <p>M. A. Xavier MANAGING DIRECTOR</p> <p>Place: Kochi Date : 29.10.2018</p>	<p>For <b>MITTA GELATIN (INDIA) LIMITED</b></p>  <p>Sajiv K. Menon MANAGING DIRECTOR</p> <p>Place: Kochi Date : 29.10.2018</p>
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# Walker Chandniok & Co LLP

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Kochi 682016  
India

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## Independent Auditor's Review Report on Quarterly Financial Results of Nitta Gelatin India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of Nitta Gelatin India Limited

1. We have reviewed the accompanying statement of unaudited financial results ("Statement") of Nitta Gelatin India Limited ("the Company") for the quarter ended 30 June 2018, being submitted by the Company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards ("Ind AS") specified under section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Chartered Accountants

Offices in Bangalore, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune


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Walker Chandniok & Co LLP is registered with limited liability with identification number AIC-2080 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

## Walker Chandiook & Co LLP

4. We draw attention to note 3 to the financial results, regarding the Company's non-current equity investment in subsidiary and advances given aggregating to INR 1,318 lakhs and INR 829 lakhs respectively as at 30 June 2018, which are considered as fully recoverable by the management based on the projected operations and expected future cash flows of the subsidiary company, which are dependent on certain assumptions and estimates considered by the management, the appropriateness of which is dependent upon the realisation of the related business plans. Our opinion is not modified in respect of this matter.

*Walker Chandiook & Co LLP*  
For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No: 001076N/N500013

  
Krishnakumar Ananthasivan  
Partner  
Membership No.: 206229



Place: Kochi  
Date: 2 August 2018

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( ₹ in lakhs, except per share data)

Statement of unaudited standalone financial results for the quarter ended 30 June 2018					
Sl No	Particulars	Quarter ended			Year ended
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
		Unaudited	Unaudited (Refer Note 5)	Unaudited	Audited
1	Income from operations				
	(a) Revenue from operations	6,235	8,664	6,221	32,644
	(b) Other income	16	92	80	437
	<b>Total Income</b>	<b>6,251</b>	<b>8,956</b>	<b>6,301</b>	<b>33,081</b>
2	Expenses				
	(a) Cost of materials consumed	2,166	4,188	4,289	18,112
	(b) Purchases of stock-in-trade	-	-	-	117
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	821	185	(1,053)	(1,479)
	(d) Excise duty on sales (Refer Note 1)	-	-	197	197
	(e) Employee benefits expense	773	744	715	3,023
	(f) Finance Costs	91	24	117	366
	(g) Depreciation and amortization expense	279	345	271	1,191
	(h) Other expenses	1,933	2,662	1,971	9,320
	<b>Total Expenses</b>	<b>6,063</b>	<b>8,148</b>	<b>6,502</b>	<b>30,847</b>
	<b>Profit/ (Loss) before exceptional items and tax (1-2)</b>	<b>188</b>	<b>808</b>	<b>(201)</b>	<b>2,234</b>
4	Exceptional items	-	-	-	-
5	<b>Profit/ (Loss) before tax (3 - 4)</b>	<b>188</b>	<b>808</b>	<b>(201)</b>	<b>2,234</b>
6	Tax expense				
	- Current tax	90	331	22	1,095
	- Deferred tax	(23)	(71)	(94)	(318)
7	<b>Profit/(Loss) for the period/ year (5 - 6)</b>	<b>121</b>	<b>548</b>	<b>(129)</b>	<b>1,457</b>
8	Other comprehensive income/ (loss) (net of tax expense)				
	(i) Items that will not be reclassified to profit or loss	-	(38)	1	(37)
	(ii) Items that will be reclassified subsequently to profit or loss	(68)	(93)	20	(34)
	<b>Other comprehensive income/ (loss) (net of tax expense)</b>	<b>(68)</b>	<b>(131)</b>	<b>21</b>	<b>(71)</b>
9	<b>Total Comprehensive Income/ (Loss) for the period/ year (7 + 8)</b>	<b>53</b>	<b>417</b>	<b>(108)</b>	<b>1,386</b>
10	Paid-up equity share capital (Face value ₹ 10/share)	908	908	908	908
11	Other Equity				14,071
12	Earnings/ (loss) per Share (not annualized for the quarter)				
	a) Basic: (₹)	1.33	4.59	(1.43)	15.27
	b) Diluted: (₹)	1.33	4.59	(1.43)	15.27

**Notes:**

- These financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. According to the requirements of SEBI (Listing and Disclosure Requirements) Regulations 2015 and IND AS, revenue for three months ended 30th June 2017 and year ended 31st March 2018, are reported inclusive of excise duty. The Government of India had implemented Goods and Service Tax (GST) from 1st July 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per IND AS, the revenue for the period 1st July 2017 to 31st March 2018 and three months ended 30th June 2018 and three months ended 31st March 2018, are reported net of GST. The Company is engaged in the manufacture and sale of products which form part of one product group which represents one operating segment, as the Chief Operating Decision Maker (CODM), reviews business performance at an overall company level and hence disclosure requirement under Ind AS 108 on "Operating Segment" is not applicable.
- The Board of Directors has approved a scheme of merger of its subsidiary company - Reva Proteins Limited with the company, in their meeting held on 03rd February 2018 in view of the operational synergies emerging out of the said restructuring. The scheme provides for issuance of 44,44,444 Nos of Redeemable Preference shares of Rs. 10/- each to Nitta Gelatin Inc., as consideration for their equity holding of 48,60,000 shares in Reva Proteins Limited. The merger is proposed to be undertaken through a Scheme of amalgamation under Section 230-232 of the Companies Act, 2013 to be filed with the National Company Law Tribunal with the appointed date 1st April 2017 or as may be directed by the National Company Law Tribunal and is subject to approval by the shareholders, lenders, creditors & other applicable regulatory approvals in this regard. The Company has filed an application before the Bombay Stock Exchange and is awaiting approval from them for the said merger. Further, the operations of the subsidiary is in line with the projections of the management and in view of the above and the cash flows that will be generated in the near future, no provision has been considered necessary for the remaining value of equity investments amounting to Rs.1318 Lakhs and loans and advances amounting to Rs. 829 Lakhs due from the said subsidiary.
- Based on the evaluation made by the Company, there were no significant adjustments required to be made to the retained earnings as at 31st April 2018 under the modified retrospective approach, on IND AS 115 - "Revenue from Contracts with Customers" which has replaced the existing IND AS related thereto and is mandatory for reporting on or after 1st April 2018. The application of IND AS 115 did not have any significant impact on recognition and measurement of revenue and related terms in the financial results for the quarter ended 30th June 2018.
- Figures for the quarter ended 31st March 2018 represent the balancing figures between the audited figures for the full financial year and published year to date figures up to third quarter of the financial year.
- The above financial results, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 2nd August 2018 and the limited review of the same has been carried out by the statutory auditors of the company.
- Prior period comparatives have been regrouped/reclassified wherever necessary. The management has exercised necessary due diligence to ensure that the financial results give a true and fair view.

Kochi  
2nd August 2018



For Nitta Gelatin India Limited

Sajiv K. Menon  
Managing Director  
CIN : 00168228

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**REVA PROTEINS LIMITED**  
**BALANCE SHEET AS AT 30th June, 2018**

Particulars	Note No.	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a. Share Capital	2.01	18,86,05,200	18,86,05,200
b. Reserves and Surplus	2.02	(21,08,38,999)	(10,22,81,597)
<b>2 Non-current liabilities</b>			
a. Long-term Borrowings	2.03	22,56,18,213	25,20,97,950
b. Long-term Provisions	2.04	17,30,780	9,17,905
<b>3 Current Liabilities</b>			
a. Short-term Borrowings	2.05	4,74,53,086	5,98,30,116
b. Trade Payables	2.06		
(i) Total outstanding dues of micro enterprises and small enterprises			
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		8,33,98,340	1,59,29,299
c. Other Current Liabilities	2.07	14,84,89,094	17,21,48,042
<b>Total</b>		<b>48,44,55,714</b>	<b>58,72,46,915</b>
<b>II. ASSETS</b>			
<b>1 Non-current Assets</b>			
a. Fixed Assets	2.08		
i. Tangible Assets		35,65,37,183	35,01,49,805
ii. Intangible Assets		13,89,466	18,35,896
iii. Intangible Assets under Development			
iv. Capital Work-in-progress		17,50,645	1,92,13,238
b. Non-current Investments	2.09	41,40,000	41,40,000
c. Long-term Loans and Advances	2.10	1,80,86,225	1,92,97,631
<b>2 Current Assets</b>			
a. Inventories	2.11	5,53,81,942	9,45,31,214
b. Trade Receivables	2.12	69,88,450	4,78,25,264
c. Cash and Cash Equivalents	2.13	3,26,98,716	4,79,06,899
d. Short-term Loans and Advances	2.14	63,98,224	9,07,022
e. Other Current Assets	2.15	10,84,863	14,39,946
<b>Total</b>		<b>48,44,55,714</b>	<b>58,72,46,915</b>

The accompanying notes form an integral part of the financial statements

As per  
our report of even  
date attached

For and on behalf of the Board of Directors

For REVA PROTEINS LIMITED

*P. Sathyanarayanan*  
P. SATHYANARAYANAN  
Director

For REVA PROTEINS LIMITED

*G. Rajeshkurup*  
G. RAJESHKURUP  
Company Secretary



Place: Kochi - 19  
Date: 02.08.2018



**REVA PROTEINS LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 30th June, 2018**

Particulars	Note No.	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>Income</b>			
I. Revenue from operations	2.16	9,75,46,155	6,64,89,739
Less : Excise duty		-	-
Revenue from operations (net)		<u>9,75,46,155</u>	<u>32,92,83,879</u>
II. Other Income	2.17	9,25,237	1,15,673
III. <b>Total Revenue</b>		<u><b>9,84,71,392</b></u>	<u><b>6,66,05,412</b></u>
<b>IV. Expenses:</b>			
a. Cost of materials consumed	2.18	5,45,65,221	4,74,88,166
b. Changes in inventories of finished goods, work-in-progress and Stock-in-trade	2.19	(69,57,790)	20,74,022
c. Employee benefits expense	2.20	61,53,533	46,03,148
d. Finance costs	2.21	75,33,502	79,45,267
e. Depreciation and amortisation expense	2.01	59,64,937	59,55,854
f. Other expenses	2.22	4,16,19,979	3,15,36,110
<b>Total Expenses</b>		<u><b>10,88,79,382</b></u>	<u><b>9,96,02,567</b></u>
V. <b>Loss before tax (III-IV)</b>		<u><b>(1,04,07,990)</b></u>	<u><b>(3,29,97,155)</b></u>
VI. <b>Tax expense:</b>			
a. Current tax		-	-
VII. <b>Loss for the period (V - VI)</b>		<u><b>(1,04,07,990)</b></u>	<u><b>(3,29,97,155)</b></u>
VIII. <b>Earnings per equity share (Rs):</b>			
Nominal value of share Rs. 10/- (Rs. 10/-)			
a. Basic		<u><b>(0.55)</b></u>	<u><b>(1.60)</b></u>

Significant Accounting Policies and Notes on Accounts

1&2

As per  
our report of even  
date attached

For and on behalf of the Board of Directors

For REVA PROTEINS LIMITED

*P. Sahasranaman*  
P. SAHASRANAMAN  
Director

For REVA PROTEINS LIMITED

*G. Rajeshkurup*  
G. RAJESHKURUP  
Company Secretary

Place: Kochi - 19  
Date: 02.08.2018

**Significant Accounting Policies and Notes on accounts for the financial year ended 30th June, 2018**

**1. Significant Accounting Policies**

**a Basis of Accounting**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**b Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known /

**c Revenue Recognition**

Sales are recognized on transfer of title of the goods to the customers. Export incentives are recognized on exports on accrual basis, ( except when there are significant uncertainties ) based on the estimated realizable value of such entitlements. Other income is recognized on accrual basis, ( except when there are significant uncertainties ) and income from job charges is recognised on completed service method.

**d Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and an initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located, if any.

When parts of an item of property plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

If the Company has acquired a Property, Plant and Equipment on deferred term basis and terms are beyond normal credit terms, property plant and equipment will be recognized on cash price equivalent, i.e. discounted amount.

The cost of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress.

**e Intangible Assets**

Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.

**f Depreciation/ Amortisation**

i. Depreciation on Plant and Machinery (Other than Service Equipments) is provided on SLM basis and for Service Equipments and other assets, is provided on Written Down Value method based on the useful life of fixed assets prescribed under Schedule II of the Companies Act, 2013, which is subject to review by the management at the year-end.

ii. Lease Premium on Land is amortised over the period of lease.

iii. Software costs treated as Intangible Assets is amortised over a period of five years.

**g Investments**

Non Current Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

**h Inventories**

Inventories are valued at lower of cost or net realisable value, item wise. For this purpose, the cost of bought-out inventories comprise of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on a weighted average basis. The cost of manufactured inventories comprises of the direct cost of production plus appropriate overheads. The net realisable value of bought out inventories is

**i Employee Benefits**

**i. Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service.

**ii. Defined Contribution Plans**

The company has defined contribution plan for employees, i.e. for Provident Fund. The contributions paid/payable to this plan during the year are charged to the Statement of Profit and Loss for the year.

**iii. Defined Benefit Plans: Gratuity**

The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost, if any, is recognized in the accounts. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

**iv. Long Term Employee Benefits: Compensated Absences**

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

**v. Termination Benefits**

Termination benefits are recognized in the Statement of Profit and Loss for the period in which the same accrue.



**j Income Tax**

Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Deferred Tax assets / liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years. Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognized if there is a virtual certainty that sufficient future taxable income will be available to realize the same.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

**k Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. Other borrowing costs are recognised as expenditure for the period in which they are incurred.

**l Earnings per share**

Basic/diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/diluted potential equity shares outstanding as at the end of the year, as the case

**m Impairment of Assets**

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**n Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the correct management estimates. Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are neither recognized nor disclosed in the accounts.

**o Foreign Currency Transactions**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities other than forward contracts, outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the said date. The exchange gain/loss arising during the year are recognized in the Statement of Profit and Loss.

**2 Notes on Accounts****2.01 Share Capital:**

Particulars	As at 30.06.2018		As at 30.06.2017	
	Rupees		Rupees	
<b>Authorised:</b>				
20,000,000(20,000,000) Equity Shares of Rs. 10/- each		20,00,00,000		20,00,00,000
20,000,000(20,000,000) Optionally Convertible Non Cumulative Preference Shares of Rs.10/- each		20,00,00,000		20,00,00,000
		<b>40,00,00,000</b>		<b>40,00,00,000</b>
<b>Issued and Subscribed and fully paid:</b>				
18,860,520 (18,860,520) Equity Shares of Rs. 10/- each		18,86,05,200		18,86,05,200
12,500,000 (12,500,000) 6% Optionally Convertible Non Cumulative Preference Shares of Rs.10/- each				
		<b>18,86,05,200</b>		<b>18,86,05,200</b>

**Reconciliation of shares outstanding at the beginning and at the end of the financial year**

Particulars	As at 30.06.2018		As at 30.06.2017	
	Number of shares	Rupees	Number of shares	Rupees
<b>a) Equity shares</b>				
As at the beginning of the financial year		18,86,05,200	1,88,60,520	18,86,05,200
As at the end of the financial year		18,86,05,200	1,88,60,520	18,86,05,200

<b>b) Preference shares</b>			
As at the beginning of the financial year		1,25,00,000	12,50,00,000
Add : Issue of shares during the year			
As at the end of the financial year		1,25,00,000	12,50,00,000

**Particulars of Shareholders holding more than 5% in the Company**

<b>1. Equity shares</b>				
<b>Particulars</b>	<b>As at 30.06.2018</b>		<b>As at 30.06.2017</b>	
	%	No. of shares	%	No. of shares
Nitta Gelatin India Limited, Holding Company	#	1,40,60,520	74.55	1,40,60,520
Nitta Gelatin Inc, Japan	#	48,00,000	25.45	48,00,000

<b>2. Preference shares</b>				
<b>Particulars</b>	<b>As at 30.06.2018</b>		<b>As at 30.06.2017</b>	
	%	No. of shares	%	No. of shares
Nitta Gelatin India Limited, Holding Company	#	0	100.00	1,25,00,000

**Particulars of shares held by Holding Company**

<b>Particulars</b>	<b>As at 30.06.2018</b>		<b>As at 31.03.2017</b>	
		(Rupees)		(Rupees)
NITTA Gelatin India Limited, Holding Company				
14,060,520 (14,060,520) Equity Shares of Rs. 10/- each		14,06,05,200		14,06,05,200
12,500,000 (12,500,000) 6% Optionally Convertible Non-Cumulative Preference Shares of Rs. 10/- each		0		12,50,00,000

**Terms/ Rights attached to Equity Shares**

The company has only one class of equity shares with a face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

**Terms/ Rights attached to Preference Shares**

The company has issued only one class of Optionally Convertible Non-Cumulative Preference Shares with a face value of Rs. 10/- each. Each holder of Preference share is entitled to one vote per share on a resolution placed before the Company, which directly affect the rights attached to Preference share holders. Each holder of Preference share is entitled to preferential right to a fixed dividend of 6% per annum on the face value of Preference Shares, on a non-cumulative basis.

The preference shares shall be convertible into equal number of equity shares of Rs 10/- each within six years from the date of allotment (i.e 23.03.2016), in one or more financial years, at a price of Rs 10/- each. All outstanding Optionally Convertible Non-Cumulative Preference Shares, which are not converted into equity shares at the end of sixth year from the date of allotment (i.e within 23.03.2022) shall be redeemable at par in two equal tranches respectively at the end of 7th and 8th year commencing from the date of allotment of Optionally Convertible Non-Cumulative Preference Shares.



**2.02 Reserves and Surplus**

Particulars	As at 30.06.2018	As at 30.06.2017
	Rupees	Rupees
Securities Premium	21,54,07,800	21,54,07,800
Add: additions during the year on account of shares issued under ESPS Scheme	-	-
Closing Balance	21,54,07,800	21,54,07,800
Capital Investment Subsidy	-	-
Special Export Reserve (under the Income Tax Act, 1961)	-	-
General Reserve	-	-
Opening Balance	-	-
Add: Transfer from Surplus	-	-
Closing Balance	-	-
Hedge Equalisation Reserve	-	-
Opening Balance	-	-
Add: Net gain / ( Loss ) recognised on cash flow hedges	-	-
Less: Net gain / ( Loss ) reclassified to Statement of Profit and Loss during the year	-	-
Equity component of compound financial instrument Surplus/(Deficit) in Statement of Profit and Loss	6,96,06,078	7,98,89,972
Opening Balance	(48,55,04,887)	(36,45,82,214)
Loss for the year as per Statement of Profit and Loss	(1,04,07,990)	(3,29,97,155)
Less :		
Amount available for Appropriation	(49,59,12,877)	(39,75,79,369)
Less: Appropriations		
Final Dividend		
Tax on Final Dividend		
Transfer to General Reserve		
Proposed Dividend ( See Note 2.02.1 & 2.02.2 )		
Tax on Proposed Dividend		
Closing Balance	(49,59,12,877)	(39,75,79,369)
	(21,08,38,999)	(10,22,81,597)

**2.03 Long Term Borrowings**

Particulars	As at 30.06.2018	As at 30.06.2017
	Rupees	Rupees
Secured Loans		
- Term Loans		
From HDFC Bank ( See Note 2.03.2 )+other banks-		
From other parties - KSIDC (See Note 2.03.3 and 2.03.4)	54,57,978	80,57,549
Unsecured Loans	8,52,04,068	10,96,94,091
- Loans and advances from Related parties		
From Nitta Gelatin Inc. Japan ( See Note 2.03.5)	6,39,96,217	8,08,46,310
Preference Shares Liability (IND AS)	7,09,59,950	5,35,00,000
	22,56,18,213	25,20,97,950

2.03.1 Current Maturities of Long term debt are mentioned under the head Other Current Liabilities in Note no. 2.07

2.03.2 Secured by way of exclusive first charge over the fixed assets financed out of the term loan, second charge over the existing fixed assets of the company and Corporate Guarantee of the Holding Company - M/s Nitta Gelatin India Limited.  
The loan is repayable in 72 equated monthly instalments (including interest), commencing from 07.06.2015 in the following manner:

Period	Amount in Rs
From, March 2016 to May 2016	1,16,667
From, June 2015 to April 2021	2,73,025
In May 2021	34,588

2.03.3 (a) Secured by way of exclusive first charge over the fixed assets of the company including leasehold assets, both present and future and Corporate Guarantee of the Holding Company - M/s Nitta Gelatin India Limited.  
The principal is repayable in 22 equal monthly instalments, commencing from 11.03.2017 in the following manner:

Period	Amount in Rs
From, March 2017 to March 2022	54,00,000
In June 2022	53,50,000

(b) Interest is payable as and when applied. Interest Rate is 10.50% p.a

2.03.4 (a) Secured by way of single mortgage by way of extension of exclusive first charge all the leasehold property held under lease deed no. 1237 of 2010 dated 07/07/2010, SRD Jhagaḍia and Corporate Guarantee of the Holding Company - M/s Nitta Gelatin India Limited.  
The principal is repayable in 28 equal monthly instalments, commencing from 11.03.2017 in the following manner:

Period	Amount in Rs
From, March 2017 to December 2019	6,25,000
From, December 2019 to December 2022	12,50,000
From, March 2022 to December 2023	18,75,000

(b) Interest is payable as and when applied. Interest Rate is 12.50% p.a

2.03.5 Details of Unsecured Loan - Terms of Repayment

(a) The principal is repayable in 20 equal quarterly instalments, commencing from 15.09.2018 in the following manner:

Period	Amount in Rs
From, September 2018 to June 2023	45,00,000

(b) Interest is payable on quarterly basis along with principal at 6 months USD LIBOR Rate + 5.00 % p.a.

2.04 Long term Provisions

Particulars	As at 30.06.2018	As at 30.06.2017
	Rupees	Rupees
Provision for Employee Benefits (See Note 2.04.1)	17,30,780	9,17,905
	17,30,780	9,17,905



2.05 Short-term Borrowings	As at 30.06.2018	As at 30.06.2017
Particulars	Rupees	Rupees
Working Capital Loan from Banks (Secured) (See Note 2.05.1)		
STATE BANK OF INDIA	4,74,53,086	5,98,30,116
KSIDC - Term Loan	-	-
KSIDC - Working Capital Loan	-	-
State Bank of Travancore	-	-
HDFC Bank - Term Loan	-	-
Term Loan from Banks (Secured) (See Note 2.06.2)	-	-
From Others:		
Loan from Related Party (Unsecured)	4,74,53,086	5,98,30,116

- 2.05.1 Security offered on the above loan is as under :
- Primary Security - first charge on the entire current assets of the company, both present and future.
  - Collateral security - on the entire fixed assets of the company, both present and future
  - Corporate Guarantee - of the Holding Company - M/s Nirta Gelatin India Limited.

2.06 Trade Payables	As at 30.06.2018	As at 30.06.2017
	Rupees	Rupees
(i) Total outstanding dues of micro enterprises and small enterprises		
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8,33,98,340	1,59,29,299
(iii) Total outstanding dues of creditors-NGIL		1,59,29,299
	8,33,98,340	1,59,29,299

2.06.1 The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Based on available information, there are no balances outstanding as payable to such suppliers at the year end. In the opinion of the management there are no amounts paid / payable towards interest under the said statute.



**2.07 Other Current Liabilities**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Current maturities of long term borrowings ( See Note 2.03.1 and 2.03.2 )	4,01,39,335	2,63,21,373
Interest accrued and due on borrowings		14,02,010
Interest accrued but not due on borrowings		3,24,234
Other Payables -		
- Advance from Customers		14,15,21,545
- Claim payable towards materials damaged in processing	10,73,71,426	
- Statutory Dues		
- Deposits	5,96,787	5,17,253
- Creditors for Capital Goods	3,81,546	14,62,074
		5,05,552
	<b>14,84,89,094</b>	<b>17,21,48,041</b>

**2.09 Non-current Investments**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Investment in Equity Instruments (at Cost)-Long Term (Unquoted, Trade):		
- Narmada ClearTech Limited		
4,14,000 (3,54,000) fully paid up equity shares of Rs 10/- each	41,40,000	41,40,000
Aggregate amount of unquoted investments	<b>41,40,000</b>	<b>41,40,000</b>

**2.10 Long-term Loans and Advances**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Unsecured (Considered Good)		
Capital Advance		
Income Tax	2,80,467	19,19,475
Prepaid Lease Rental		
Security Deposits	1,78,05,758	1,73,78,156
	<b>1,80,86,225</b>	<b>1,92,97,631</b>

2.10.1 In terms of the Accounting Standard on Accounting for Taxes on Income (AS 22), deferred tax asset (net) has not been recognised in the accounts, as a matter of prudence, in the absence of virtual / reasonable certainty of future taxable profits.

**2.11 Inventories**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Raw Materials	52,69,231	1,77,86,063
Work-in-progress	1,92,04,781	4,38,46,790
Finished Goods	2,15,03,900	2,74,22,150
Stores & Spares	88,04,736	98,46,619
Loose Tools	1,31,897	1,31,897
Others - Packing Materials	3,87,307	3,97,695
	<b>5,53,81,942</b>	<b>9,45,31,214</b>

2.11.1 Method of Valuation of Inventories - Refer 1(h) of Significant Accounting Policies.



Note 2.08 - FIXED ASSETS & CAPITAL WORK IN PROGRESS

Particulars	Gross Block (at cost)				Depreciation			Net Block	
	As at 01.04.2018	Additions	Disposals/ Adjustments	As at 30.06.2018	As at 01.04.2018	For the year	Disposals/ Adjustments	As at 30.06.2018	As at 30.06.2017
<b>FIXED ASSETS:</b>									
(i) Tangible Assets (Property, Plant & Equipment)									
Lease hold Land (Refer Note No. 2.01 (i))	6,22,69,322 (6,22,69,322)	-	-	6,22,69,322 (6,22,69,322)	51,75,891 (45,66,616)	1,51,877 (1,51,901)	-	53,27,768 (47,18,517)	5,69,50,055 (5,72,71,836)
Building	16,33,24,141 (13,22,51,611)	-	-	16,33,24,141 (15,22,91,611)	7,11,74,918 (6,18,74,485)	21,32,370 (21,91,281)	-	7,33,27,288 (6,40,55,766)	8,99,96,853 (8,82,25,845)
Plant and Equipment	34,21,15,395 (32,30,75,728)	1,99,792 (91,351)	4,77,327	34,18,37,860 (32,31,67,079)	13,02,99,484 (11,74,54,540)	33,74,321 (31,82,742)	3,27,581	13,33,16,224 (12,08,37,282)	20,85,21,636 (20,25,29,797)
Office Equipment	34,84,814 (33,72,284)	-	39,662	34,45,152 (34,39,915)	29,12,220 (22,44,745)	70,936 (1,40,867)	46,335	29,36,421 (24,05,612)	5,08,531 (10,54,303)
Furniture and Fixtures	17,75,089 (17,60,089)	-	33,990	17,21,499 (17,75,090)	11,52,153 (9,31,048)	53,495 (54,987)	43,657	11,61,591 (9,86,035)	5,59,308 (7,89,055)
<b>TOTAL</b>	<b>57,29,68,761</b>	<b>1,99,792</b>	<b>5,70,579</b>	<b>57,25,97,971</b>	<b>21,06,94,666</b>	<b>58,02,999</b>	<b>4,17,773</b>	<b>21,60,69,892</b>	<b>36,65,37,183</b>
<b>PREVIOUS YEAR</b>	<b>(54,27,61,044)</b>	<b>(1,93,983)</b>	<b>-</b>	<b>(54,29,63,017)</b>	<b>(18,70,71,434)</b>	<b>(57,41,778)</b>	<b>-</b>	<b>(19,28,13,212)</b>	<b>(35,94,79,650)</b>
(ii) Intangible Assets									
Software	31,37,709 (25,47,709)	-	-	31,37,709 (25,47,709)	13,86,305 (4,97,737)	1,61,938 (2,14,076)	-	17,48,243 (7,11,813)	13,85,466 (18,35,896)
<b>TOTAL</b>	<b>31,37,709</b>	<b>-</b>	<b>-</b>	<b>31,37,709</b>	<b>13,86,305</b>	<b>1,61,938</b>	<b>-</b>	<b>17,48,243</b>	<b>13,85,466</b>
<b>PREVIOUS YEAR</b>	<b>(1,72,41,037)</b>	<b>-</b>	<b>-</b>	<b>(25,67,709)</b>	<b>(4,97,737)</b>	<b>(2,14,076)</b>	<b>-</b>	<b>(7,11,813)</b>	<b>(18,35,896)</b>
(iii) Capital Work in progress									
Improvements to Leasehold land	-	-	-	-	-	-	-	-	-
Building under Construction	82,629 (14,61,819)	-	-	82,629 (14,61,819)	-	-	-	-	82,629 (14,61,819)
Plant and Equipment: under Installation	-	16,68,016 (5,10,382)	-	16,68,016 (1,77,51,419)	-	-	-	-	16,68,016 (1,77,51,419)
<b>TOTAL</b>	<b>82,629</b>	<b>16,68,016</b>	<b>-</b>	<b>17,50,645</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,92,13,238</b>
<b>PREVIOUS YEAR</b>	<b>(1,87,02,854)</b>	<b>(5,10,382)</b>	<b>-</b>	<b>(1,92,13,238)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,89,17,698)</b>
(iv) Intangible assets under development									
Software	(16,88,947)	(6,87,176)	(23,76,123)	-	-	-	-	-	(16,88,947)



2.12 Trade Receivables	As at 30.06.2018	As at 30.06.2017
Particulars	Rupees	Rupees
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Unsecured, Considered Good	-	-
Unsecured, Considered Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
Others (Unsecured, Considered Good)	69,88,450	4,78,25,264
	<b>69,88,450</b>	<b>4,78,25,264</b>

2.13 Cash and Cash Equivalents	As at 30.06.2018	As at 30.06.2017
Particulars	Rupees	Rupees
Balance with Banks:		
In Current Accounts	33,86,078	43,17,587
In Deposit Accounts	2,01,29,060	4,33,91,588
Cash on hand	1,83,578	1,97,724
	<b>3,26,98,716</b>	<b>4,79,06,899</b>

2.13.1 Cash and cash equivalents at the end of the year includes balance with banks in deposit accounts with a maturity period of more than 12 months of Rs Nil (Rs Nil).



**2.14 Short-term Loans and Advances**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>(Unsecured, Considered Good)</b>		
Advance to Related Parties:		
- Reva Proteins Limited (Subsidiary Company)		-
- Due from Reva Proteins Limited (Subsidiary Company)		-
Others:		
- Advances recoverable in cash or in kind or for value to be received.	1,75,697	1,65,347
- Vehicle/Computer loan to employees		-
- Education loan to employees		-
- Loan to employees		-
Prepaid Lease Rentals		-
- Deposits	2,39,850	2,11,850
- Balances with Central Excise, Customs Sales Tax etc.	59,82,677	5,29,825
	<b>63,98,224</b>	<b>9,07,022</b>

**2.15 Other Current Assets**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Interest Accrued on Deposits	4,57,928	2,19,967
Old Machinery held for Sale		-
Assets held for disposal		-
Export Incentive		-
- Duty Drawback	6,63,267	12,55,555
Less: Provision for Claims Disputed		-
- Duty Entitlement Pass Book [See Note 2.17.2]		-
- Export Incentive - Status Holder Incentive Scrip		-
Claims recoverable - Reva Proteins Ltd, Subsidiary Company		-
Marked to market Gain ( net ) on forward contract recognized		-
Others	46,332	-
<b>Total</b>	<b>10,84,863</b>	<b>14,39,946</b>

2.16 Revenue from operations		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>Sale of Products</b>		
Gross Sales	9,75,46,392	6,60,16,439
<b>Sale of Services</b>		
Income from Job Charges		
<b>Other Operating Revenues</b>		
Export Incentive	(237)	473300
- Duty Entitlement Pass Book		
- Duty Drawback	237	
- Status Holder Incentive Scrip		
Provision / sundry balances written back		
Conversion charges	(237)	
	<b>9,75,46,155</b>	<b>6,64,89,739</b>
Less: Excise Duty collected on domestic sales	9,75,46,155	6,64,89,739
2.17 Other Income		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Interest Income	8,36,707	43,023
Sale of Scrap	88,530	72,650
Foreign Exchange Rate Variation (not)		
Other non operating Income		
	<b>9,25,237</b>	<b>1,15,673</b>
2.18 Cost of materials consumed		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Opening Stock	51,76,243	1,98,34,874
Add: Purchases	5,46,58,209	4,04,39,355
	<b>5,98,34,452</b>	<b>6,02,74,229</b>
Less: Closing Stock	52,65,231	1,27,86,063
	<b>5,45,65,221</b>	<b>4,74,88,166</b>
2.19 Changes in inventories of finished goods, work-in-progress and stock-in-trade		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>Closing Stock</b>		
Finished Goods	2,15,03,900	2,74,22,150
Work-in-progress	1,92,04,781	4,39,46,790
	<b>4,07,08,681</b>	<b>7,13,68,940</b>
Less:		
<b>Opening Stock</b>		
Finished Goods	2,89,20,625	1,43,32,768
Work-in-progress	48,30,266	5,91,10,194
	<b>3,37,50,891</b>	<b>7,34,42,962</b>
	<b>69,57,790</b>	<b>20,74,022</b>
2.20 Employee benefits expense		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Salaries & Wages	48,60,121	37,88,650
Contribution to Provident and Other Funds	2,36,170	2,01,858
Expense on Employees Stock Purchase scheme		
Workmen and Staff Welfare Expenses	10,57,242	6,12,640
	<b>61,53,533</b>	<b>46,03,148</b>



**2.21 Finance costs**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Interest Expense	75,33,502	79,45,267
Other Borrowing Cost	-	-
	<b>75,33,502</b>	<b>79,45,267</b>

**2.22 Other Expenses**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Consumption of Stores, Spares & Consumables	27,30,436	22,79,208
Packing materials Consumed	4,01,458	1,39,462
Power, Fuel, Water & Gas	1,53,97,934	1,21,29,501
Repairs		
- Building	24,932	-
- Plant & Machinery	82,70,665	21,83,701
- Others	7,70,544	10,14,120
Loading, Transportation and Other charges on products	16,06,842	12,49,438
Freight on Exports	-	-
Insurance	5,56,388	8,02,344
Rent	-	-
Rates & Taxes	6,192	7,73,301
Postage & Telephone	1,94,249	2,29,639
Printing & Stationery	58,918	1,41,784
Travelling & Conveyance	11,45,489	13,90,167
Director's sitting fee	30,000	23,000
Payments to the Auditors (See Note 2.22.1)	19,196	1,82,732
Advertisement & Publicity	146	10,000
Discount & Commission on Sales	-	-
Ngil Support fees	6,37,500	-
Professional & Consultancy charges	7,52,323	2,25,585
Bank Charges	1,60,802	47,943
Guarantee Commission	11,33,688	2,82,375
Loan Processing Fees	-	-
Security Charges	7,37,597	8,69,743
Effluent Discharge Fee	16,51,735	24,09,956
Contract Labour Charges	39,80,565	34,51,878
Miscellaneous Expenses	9,05,754	17,00,233
Loss on sale of assets	4,83,958	-
Foreign Exchange rate variation (Net)	-	-
	<b>4,16,19,979</b>	<b>3,15,36,110</b>

2.23 Figures have been rounded off to the nearest rupee. Previous year figures, unless otherwise stated are given with brackets and have been re-grouped and recast wherever necessary to be in conformity with current year's layout.

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As per  
our report of even  
date attached

For and on behalf of the Board of Directors

For REVA PROTEINS LIMITED

  
P. SAHASRANAMAN  
Director

For REVA PROTEINS LIMITED

  
G. RAJESHKURUP  
Company Secretary

Place: Kochi - 19  
Date: 02.08.2018



## Annexure 12

(REVISED SET OF MOA & AOA)  
**MEMORANDUM OF ASSOCIATION  
OF  
NITTA GELATIN INDIA LIMITED**

- I. The name of the Company is **NITTA GELATIN INDIA LIMITED**.
- II. The Registered Office of the company will be situated in the State of Kerala.
- III. **A. THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-**

To manufacture, import, export, trade and deal, in Ossein and products and components of Ossein, Di Calcium Phosphate and products and components of Di Calcium Phosphate, Gelatin and products and components of Gelatin, Glue and its related products and components, raw material for Ossein including Degreased Bone and Crushed Bone and related products viz, tallow, Bone Meal, and other bone products, meat and meat products, other components used for the manufacture of Gelatin like Chitosan, Fish Oil etc., organic manure and other derivatives and components and by products obtained during the course of manufacture of the above and run slaughter houses, independently or in Joint ventures.

**B. MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN III A**

1. To collect, acquire, make process and deal in bones, fish, fish scales, skins and tissues of animals, reptiles, and birds, chemicals, machinery and other materials required for the above purpose .
2. To buy, sell, manufacture, repair, alter, improve, exchange or hire, import and export and deal in all works, plant, machinery, tools and utensils, appliances, apparatus, products, materials, substances, articles, and things capable of being used in any and every such business as aforesaid or required by any customers of or persons having dealings with the Company or commonly dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection with any of the said business and to manufacture, experiment with, render marketable, and deal in all residual and by-products incidental to or obtained in any of the business carried on by the Company.
3. To enter into any arrangements with any Government or authorities, municipal, local or otherwise or any persons whether company or association, partnership or individual in India or abroad, that may seem conducive to the objects of the company or any of them and to obtain from any such Government, authority, persons or company any rights, privileges, charters, contracts, licences or concessions.
4. To acquire the whole or any part of the undertaking and assets of any business within the objects of the Company and any lands, privileges, rights, contracts, property or effects held or used in connection therewith, and upon any such purchase to undertake the liabilities of any persons whether Company, association, partnership or individual.
5. To amalgamate, enter into partnership, or into any arrangements for sharing profits, union of interests, co-operation, joint -ventures or reciprocal concessions, or for limiting competition with any person or company carrying on or engaged in or about to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as to directly or indirectly benefit the Company.

6. To apply for, purchase, or otherwise acquire and protect and renew in any part of the world, any patents, patent rights, brevets d' invention, licences, concessions and the like, conferring any exclusive or non exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly to benefit the company and to use, exercise, develop, or grant licences in respect of or otherwise turn to account the property, rights or information so acquired , and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
7. To establish or promote or concur in establishing or promoting any Company or Companies for the purposes of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures, or other securities of any such other company.
8. Generally to purchase, take on lease or in exchange, hire or otherwise acquire, any real or personal property and any rights or privileges which the Company may think necessary or convenient for the purpose of its business or which may enhance the value of any other property of the Company and in particular any land, building, factories, casements, machinery, plant, vehicles and stock- in-trade.
9. To build, construct, alter, maintain, enlarge, pull down, remove or replace and to work, manage and control any buildings, offices, factories, mills, shops, machinery, engines roadways, tramways, railways, branches or sidings, bridges, reservoirs, watercourses, wharves, electric works and other works and conveniences, which may seem calculated directly or indirectly to advance the interest of the Company and to join with any other person whether company, association partnership or individual, in doing any of these things.
10. To invest and deal with the moneys of the Company not immediately required in any manner and in particular to accumulate funds or to acquire or take by subscription, purchase or otherwise howsoever or to hold shares or stock in or the security of any company, association, or undertaking in India or abroad, subject to the provisions of the Companies Act, 2013
11. To lend and advance money or give credit to such companies or other persons and on such terms as may seem expedient, and in particular to customers and others having dealing with the Company and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons and generally to give guarantees and indemnities.
12. To receive money on deposits or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including the uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company of any obligation undertaken by the Company provided that the Company shall not carry on the business of banking within the meaning of the Banking Regulation Act, 1949.
13. To pay for any business, property or rights acquired or agreed to be acquired by the Company and generally to satisfy such obligation of the Company by the issue or transfer of shares of this Company credited as fully or partly paid up or of debentures or other securities of this Company.
14. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
15. To pay for any rights or property acquired by the Company and to remunerate any person or Company whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid up in full or in part.
16. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital, including brokerage and commission for obtaining applications for or taking, placing of underwriting or procuring the underwriting of shares, debentures, or other securities of the Company.



17. To sell, lease, mortgage or otherwise dispose of the property, assets or undertaking of the Company or any part thereof for such consideration as the Company may think fit and, in particular for shares, stock, debentures, or other securities of any other company having objects altogether or in part similar to those of the Company.
18. Subject to the provisions of the Companies Act, 2013 to distribute as dividend, bonus or otherwise among members in kind any property or assets of the Company and any shares, debentures or securities of this Company or of other companies, belonging to this Company, which this Company may be competent to distribute.
19. To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with all or any part of the property and rights of the Company.
20. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any person who are or were at any time in the employment or service of the Company or of any Company which is a subsidiary of the company, or is allied to or associated with the Company with any such subsidiary company or who are or were at any time Directors or Officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependents of any such persons and also establish and subsidise and subscribe to any institutions including in particular, any cafeterias, canteens, or clubs, of funds calculated to be for the benefit of or to advance the interests and well being of the Company or of any such other company as aforesaid and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any other company as aforesaid.
21. To subscribe or contribute or otherwise assist or to grant money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, organisations, objects or purposes or for any exhibitions. The Company shall not contribute to any political party or for political purpose to any individual or body.
22. To procure the Company to be registered or recognised in any part of the world outside India.
23. To create any depreciation fund, reserve fund, sinking fund or any other special fund whether for depreciation or for preparing, improving extending or maintaining any of the properties of the company or for any other purpose conducive to the interests of the Company.
24. Subject to the provisions of the Companies Act, 2013 to place, to reserve or to distribute as dividend or bonus among the members, or otherwise to apply, as the Company may from time to time think fit, any moneys received by way of debentures issued at a premium by the Company and any moneys received in respect of dividends accrued on forfeited shares or from unclaimed dividends.
25. To establish , provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments; to undertake and carry on scientific and technical researches, experiments and tests of all kinds to promote studies and researches both scientific and technical, investigations and inventions by providing, subsidising, endowing or assisting laboratories, workshop, libraries, lectures, meetings and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.
26. To establish, maintain and operate technical training institutions and hostels for technical staff of all categories of the company and to make such other arrangements that may be expedient for the training of all categories of officers, workers, clerks, technical and other personnel likely to be useful or assist in any business which the Company is authorised to carry on.

27. To establish, maintain and operate general educational institutions and hostels for the benefit of the children of the employees or ex-employees of the Company, their dependents or connections of such persons and others and to make grants and awards and grant scholarships.
  28. To take part in the management, supervising or control of the business or operations of any Company, or undertaking, and for that purpose to appointment and remunerate any Directors, Accountants or other experts or Agents.
  29. To undertake and execute any trusts, the undertaking whereof may seem desirable whether gratuitously or otherwise.
  30. Subject to the provisions of the Companies Act, 2013 or any other enactment in force, to indemnify and keep indemnified members, officers, directors, agents, and servants of the Company against proceedings, costs, damages, claim and demands in respect of anything done or ordered to be done by them for and in the interests of the Company and of any loss, damage or misfortune whatever and which shall happen in execution of the duties of their office or in relation thereto.
  31. To insure against losses, damages, risk and liabilities of any kind which may affect the Company either wholly or partially.
  32. To apply for, promote and obtain Act of Parliament, charter, privileges, concession, licence or authorisation of any Government, State or Municipality provisional order or licence of any authority for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem calculated directly or indirectly to prejudice the interest of the Company.
  33. To own and operate transport vehicles and vessels for transporting all raw materials, finished products and other goods and things required, dealt in or manufactured by the Company.
  34. To produce, convert, export, import, purchase, sell, deal and trade in all materials and things including raw materials, by-products, wastes, finished products and products at all intermediate stages, machinery, equipments and chemicals connected directly or indirectly with the industry set forth above.
  35. To establish and maintain offices, godowns and grading centres for supervision of works, collection of goods for exports/local sales and to purchase and stock agricultural, marine, meat, chemical and industrial products.
- IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.
- V. The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rs. Fifteen Crores Eighty Lakhs and Forty only)and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10 each aggregating to Rs20,00,00,000 (Rs Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs4,44,44,440 ( Rs. Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only) with power to increase and reduce the Capital for the time being of the Company into several classes and to attach thereto respectively preferential, qualified or special rights, privileges or conditions as such may be determined by or in accordance with the provisions of the Companies Act,2013 and Articles of Association of the Company and to vary, modify, or abrogate any such rights, privileges to conditions in such manner as may for the time being provided by the aforesaid regulations.

We, the several persons, whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set against our respective names.

Names, addresses, descriptions, and occupations addresses, of subscribers	No. of shares taken by each subscribers	Signature of subscriber	Signature, names, descriptions and occupations of witnesses
1. P.J. Thomas Son of Sri. Panampunna John John. "Tejsa", Vikramapuram Hills, Trivandrum- 3, Managing Director, Kerala State Industrial Development Corpn. Ltd. Trivandrum – I	One	Sd/-	Sd/-G. Raman Pillay Son of Sri. S. Govinda Pillay, Han Sree, Neeramonka- ra, Trivandrum - 18  Asst. Manager Kerala State Industrial Develop- ment Corporation Ltd., Trivandrum - I.
2. M.R.C. Warriar Son of Sri. M.R. Madhava Warriar, 120."Revathi" Jawahar Nagar, Trivandrum -3 Development Commissioner, Kerala State Industrial Development Corpn. Ltd., Trivandrum – I	One	Sd/-	

Names, addresses, descriptions, and occupations addresses, of subscribers	No. of sharestaken by each subscribers	Signature of subscriber	Signature, names, descriptions and occupations of witnesses
3. Joseph Lopez Son of Sri. X.G. Lopez, "Thejos", Opp. Nirmala Bhavan Convent High School, Kawdiar, Trivandrum — 3 Development Commissioner, Kerala State Industrial Development Corporation Lt- d, Trivandrum-I	One	Sd/-	Sd/-G. Raman Pillay  Son of Sri. S. Gov- inda  Pillay, Han Sree,  Neeramonkara,  Trivandrum - 18  Asst. Manager Kerala  State Industrial  Development  Corporation Ltd.,  Trivandrum - I.
4. A.S. Unny Son of Sri. C.K. Madhavan Namboodiri, "Sujani", Vel- layambalam, Trivandrum -10 Secretary, Kerala State Industrial Development Corpn. Ltd., Trivandrum – 1	One	Sd/-	
5. K.A.L. Narayanan Swamy Son of Sri. K.A. Doraiswamy Iyer, T.C. 10-241/I, Kananagar, Trivandrum -3 Manager. (Chemical Engineering), Kerala State Industrial Development Corp. Ltd., Trivan- drum – I	One	Sd/-	
6. C. Krishnamoorthy Son of Sri. S.V. Venkateswara Iyer, "Gayathri" Udarasi- romani Road Vellayambalam, Trivandrum -10 Deputy Manager (Finance), Kerala State Industrial Development Corpn. Ltd., Trivandrum – I	One	Sd/-	
7. M.A. Azeem Son of Sri. M. Muhammad Ismail 14/265, "Usha Bhavan", Udarasiromani Road, Vellayamb alam, Trivandrum — 10 Asst. Secretary, Kerala State Industrial Development Corpn. Ltd., Trivandrum – I	One	Sd/-	
Total Shares taken	Seven		

Dated 22nd day of April 1975

# ARTICLES OF ASSOCIATION OF NITTA GELATIN INDIA LIMITED

## 1. Constitution

Except as is otherwise dwelt under these Articles, the Regulations contained in Table F, Schedule I of the Companies Act, 2013 shall apply to the Company.

## 2. Interpretation

In these presents the following words and expressions shall have the corresponding meanings unless excluded by the subject or context:

### **“The Act” or “the Companies Act”**

- (a) “The Act” or “the Companies Act” shall mean “The Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

### **“The Board” or “the Board of Directors”**

- (b) “The Board” or “the Board of Directors” means the Board of Directors of the Company, the Directors assembled at a Board or the requisite number of Directors entitled to pass a resolution by circulation in accordance with these Articles.

### **“The Company” or “This Company”**

- (c) “The Company” or “This Company” means NITTA GELATIN INDIA LIMITED

### **“Director”.**

- (d) “Directors” means the Directors including Alternate Directors for the time being of the Company whether in meeting assembled or not.

### **“Writing”**

- (e) “In Writing” includes printing, lithography, typewriting and any other usual substitute for writing.

### **“Members”**

- (f) “Members” means a person (a) whose name is entered in the Register of Members as holding any share (s) either solely or jointly (b) Subscriber to the Memorandum of the company (c) Beneficial owner (s)

### **“Month”**

- (g) “Month” means a English Calendar month.

### **“Paid-up”**

- (h) “Paid-up” shall include “credited as fully paid-up”.

### **“Person”**

- (i) “Person” shall include any corporation or Company as well as individuals.

### **“These Presents” or “These Regulations” or “These Articles”.**

- (j) “These Presents” or “These Regulations” or “These Articles” shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.

### **“The Register”**

- (k) “The Register” means the Register of Members kept by the Company pursuant to Section 88 of the Act.

### **“The Seal”**

(l) “The Seal” means the Common Seal for the time being of Company.

**“Section”**

(m) “Sec’ or “Section” means Section of the Act.

**“Special Resolution”.**

(n) “Special Resolution” shall have the meaning assigned thereto by Section 114 of the Act.

**“Words”**

(o) “Words” importing the masculine gender shall include the feminine gender and vice versa.

(p) Except where the context otherwise requires, words importing the singular shall include the plural and vice versa.

(q) **“Other Words, Expressions”**

Subject as aforesaid, any words or expressions defined in the Companies Act 2013 or Rules thereof except where it is repugnant to the subject or context hereof, shall bear the same meaning in these presents.

(r) **“Amendments”**

In these Articles, any reference to specific provisions of Statutes, By- laws, Rules or Regulations shall be deemed to be reference to their modifications, substitutions, replacement or amendments as well, carried out from time to time.

## **CAPITAL**

### **Share Capital**

3. “The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rupees Fifteen Crores Eighty Lakhs and Forty only)and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10/- each aggregating to Rs 20,00,00,000/-(Rupees Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs. 4,44,44,440/- ( Rupees Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only)”

### **Prohibition of investments of funds in Company’s own shares**

4. Except as provided by Section 67 and Rule 16 of the Companies (Share Capital and Debentures) Rules 2014 , no part of the funds of the Company shall be employed in the purchase of the shares of the Company and the Company shall not give whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person or for any shares in the Company.

### **Allotment of Shares**

5. The Company shall duly comply with Section 39 of the Act read with Rules 12 of the Companies (Prospectus and Allotment of Securities) Rules 2014 with regard to all allotments of shares from time to time.

### **Further issue of capital**

6. The Board may, at any time, increase the subscribed capital of the Company by issue of new shares out of the unissued part of the share capital in the original or subsequent created capital, but subject to the following provisions ,namely:

(1) In respect of offers and allotments made as above, the Directors shall subject to the provisions of Section 62 of the Act, and of sub-clause (3) herein below, offer such new shares to the persons who at the date of the offer, are holders of the Equity Shares of the Company, in proportion as nearly as

circumstances admit, to the capital paid up on those shares at that date; by sending a letter of offer, subject to conditions (i) to (iii):

- (i) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted will be deemed to have been declined.
  - (ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned -to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in Clause) (i) shall contain a statement of this right.
  - (iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given, that he declines to accept the shares offered, the board may dispose of them in such manner as it thinks most beneficial to the shareholders and the company.
- (2) To Employees under a scheme of Employees Stock Option, subject to Special Resolution passed by company and subject to such condition as may be prescribed.
  - (3) The Directors may with the sanction of the Company in General Meeting offer and allot shares to any person whether or not those persons include the persons referred to in (1) or (2) above at their discretion either for cash or consideration other than cash, if:
    - (i) a special resolution passed at any General Meeting,
    - (ii) if the price of the shares is determined by valuation report of a registered valuer subject to such conditions as may be prescribed .
  - (4) The notice referred herein above at (1) to (3) shall be dispatched through Regd. Post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
  - (5) Nothing in this clause shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company, provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option, while such term:
    - (i) has been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans; and also,
    - (ii) either has been approved by the Central Government under such circumstances as are applicable to debentures issued or loan obtained from any Government as per the applicable provisions of the Act, before the issue of the debentures on the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.

#### **Power to Issue share of different classes**

7. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any shares in the Company may be issued with such preferred, or other special rights or such restrictions, whether in regard to dividend, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine

Power of General Meeting to offer shares to such persons as the Company may resolve

8. In addition to and without derogating from the powers for that purpose conferred on the Board under Article 6, the Company, by a special resolution in General Meeting, may determine that any shares (whether forming part of the original capital or of any increased capital of the company) shall be offered to such persons (whether member or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at a premium, or at par as such General Meeting shall determine and shall have full power to give to any persons (whether members or holders of debentures of the Company or not) the option to call for or be allotted, shares of any class of the Company either at a premium or at par, as such option being exercisable at such times and for consideration as may be directed by such General Meeting and may make

any other provisions whatsoever for the issue, allotment or disposal of any shares (Provided that option or right to call of shares shall not be given to any person or persons except with the sanction of the Company in General Meeting).

### **PREFERENCE SHARES**

9. (a) Subject to the provisions of these Articles, Section 55 of the Act and the Companies (Share Capital and Debentures ) Rules, 2014, any preference shares may with the sanction of a Special resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed out of profits or out of the proceeds of a fresh issue of shares made for the purpose of such redemption.
- (b) Subject to the provisions of these Articles, Section 55 of the Act and the Companies (Share Capital and Debentures ) Rules, 2014, any preference shares may with the sanction of a Special resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed out of profits or out of the proceeds of a fresh issue of shares made for the purpose of such redemption.
- (c) The Board may, at its discretion, convert the unissued Equity Shares into Preference Shares or Redeemable Preference Shares and vice versa and the Board may issue any part or parts of the unissued shares upon such terms and conditions and with such rights and privileges annexed thereto as the Board at its discretion and subject to the provisions of Section 55 of the Act, think fit and in particular may issue such shares with such preferential or qualified rights to dividends and in the distribution of the assets of the Company as the Board may, subject to the aforesaid section, determine.
- (d) The Board may at its discretion issue any portion of the Preference shares not already issued, as Redeemable preference shares which are at the option of the Company liable to be redeemed and subject to provisions of Section 55 of the Act, on such terms as to dividends, preferential payment or return of the amount paid- up thereon and as to conditions and terms of redemption as the Directors may deem fit.

### **Variation of rights**

10. The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of that class) may, subject to the provisions of Sections 48 of the Act be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting, of the holders of the issued shares of that class. To every such separate Meeting, the provisions of these Articles relating to General Meeting shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.

Issue of further shares pari passu shall not affect the right of shares already issued

11. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided for by terms of issue of the shares of that class, be deemed to be varied by the creation of further shares, ranking pari passu therewith.

### **No Issue with disproportionate rights**

12. The Company shall not issue any shares, (not being preference shares), which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attaching to the holders of other shares (not being preference shares).

### **Power to pay Commission**

13. The Company may at any time pay commission to any person for subscribing on agreeing to subscribe in a Public offer of Securities (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures, or debenture stock of the Company. The Statutory conditions and requirements shall be observed and complied with and the rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures the rate of commission shall not exceed two and a half percent of the price at

which the debentures are issued. The commission may be satisfied by the payment out of proceeds of the issue or profits of the Company partly in one way and partly in the other. The company may also on any issue of shares on debentures pay such brokerage as may be lawful.

#### **Trust not recognised**

14. Save as otherwise provided by these Articles the Company shall be entitled to treat the registered holder of any shares or debentures as the absolute owner thereof and accordingly the Company shall not, except as ordered by a Court of competent jurisdiction or by the Statute required, be bound to recognise any equitable, contingent, future or partial interest, lien, pledge, or charge in any shares or debentures or (except only as by these presents otherwise provided for) any other right in respect of any share or debenture except an absolute right to the entirety thereof in the registered holder.

#### **Issue of shares other than for cash**

15. The Board may issue and allot shares in the Capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied, or for services rendered or to be rendered to the Company in or about the acquisition and/or conduct of its business and any share may be allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.

#### **Acceptance of Shares**

16. An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is in the Register shall for the purpose of these Articles be a member.

### **SHARE AND DEBENTURE CERTIFICATES**

#### **Rights of certificates:**

17. (1) Every person whose name is entered as a member in the register shall be entitled to receive without payment:
- (a) One certificate for all his shares : or
  - (b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
  - (c) (i) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
  - (ii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (2) (a) The Company shall, unless prohibited by any provision of law or any order of court, Tribunal or other authority, deliver the certificates of all securities allotted, transferred or transmitted-
- (i) Within a period of two months from the date of allotment, in the case of any allotment of any of its shares;
  - (ii) Within a period of one month from the date of receipt by the company of the instrument of transfer or, as the case may be of the intimation of transmission, in the case of a transfer or transmission of securities;
  - (iii) Within a period of six months from the date of allotment in the case of any allotment of debentures:

Provided that every person subscribing to securities offered by the company shall have the option either to receive the share/ security certificates or to hold shares/securities in a dematerialised form.



Provided that where the securities are dealt with in a depository, the company shall intimate the details of allotment of securities to depository immediately on allotment of such securities.

Notwithstanding anything contained above, the certificates in respect of all securities allotted, transferred or transmitted will be delivered within such other shorter period as may be required by stock exchanges where the securities of the company are listed.

- (b) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for the share to one of several joint holders shall be sufficient delivery to all such holders;
- (c) Each certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.
- (d) The Company will not charge any fees for the issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilized.

#### **Duplicate certificates.**

- 17. If a certificate is torn or defaced, lost or destroyed, it may be replaced by the issue of a new certificate on payment of a fee not exceeding that which may be agreed upon with the appropriate Stock Exchange and on such terms, if any, as to evidence and indemnity and payment of out of pocket expenses incurred by the company in investigating evidence as the Board thinks fit.

#### **Endorsement of transfer**

- 19. In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at their discretion, direct an endorsement of the transfer and the name of the transferee and other particulars, on the existing share Certificates and authorise any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate in lieu of and in cancellation of the existing Certificate, in the name of the transferee, where there is no further space on the back thereof for making endorsement of transfer.

#### **Splitting and consolidating of share certificate**

- 20. Any registered holder of the shares being in possession of any Share Certificate or Share Certificates for the time being, may surrender such Share Certificate or Certificates to the Company and apply to the Company for the issue of two or more fresh share certificates comprising the same shares bearing the same distinctive numbers as were comprised in the said certificates and in such separate lots as he may desire, in lieu of and in cancellation of such share Certificate so surrendered or for the consolidation of the shares comprised in such surrendered certificates into one Certificate and the Directors may, in lieu of and in cancellation of Certificates so surrendered, issue one or more such share certificates, as the case may be, in the name of the person or persons in whose name the original certificates stood and the new Certificates so issued shall be delivered to the person who surrendered the original certificates or to his order.

#### **Issue of Certificates**

- 21. Every Certificate of title to the share or shares shall be issued only in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 or any amendment thereof or any provision of law applicable thereto, for the time being in force.

### **CALLS ON SHARES**

#### **Calls**

- 22. The Board may, from time to time, make such calls as they think fit upon the members in respect of all money unpaid on the shares held by them respectively whether on account of the nominal value of the shares or by way of premium and not by the conditions of the allotment thereof made payable at fixed times, and the members shall pay the amount of every call so made on them to the person and at the time and place appointed by the Board.

### **Length of Notice of Call**

23. Not less than fourteen days notice of any call shall be given specifying the time and place of payment and the persons to whom such payment shall be made provided that before the time for payment of such call the Board may, by notice in writing to the members, extend the time for payment thereof.

### **Sums payable in fixed instalments to be deemed Calls**

24. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times whether on account of the nominal value of the share or by way of premium, every such amount on installment shall be payable as if it were a call duly made by the Board, of which due notice had been given, and all provisions herein contained in respect of calls shall relate and apply to such amount on installment accordingly.

### **When installment on calls payable**

25. If a sum called in respect of the shares is not paid on or before the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at such rate of interest as the Board may decide from the day appointed for the payment thereof to the time of the actual payment, but the Board shall be at liberty to waive payment of that interest wholly or in part.

### **Interest on sums payable at fixed time**

26. The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

### **Payment of call in advance**

27. The Board may, if they think fit, receive from any member willing to advance all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advanced may (until the same would, but for such advance becomes presently payable) pay interest at such rate as the Board may decide but shall not in respect of such advances confer a right to the dividend to participate in profits or to any voting rights.

### **Partial payment not to preclude forfeiture**

28. Neither a judgement nor a decree in favour of the Company for call or other moneys due in respect of any share nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any share either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as here- in-after provided.

### **Persons by whom instalments are payable**

29. If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalments shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

### **Liability of joint holders of shares**

30. The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all instalments and calls, interest and expenses, if any due in respect of such share or shares.

## **LIEN**

### **Company's lien on share**

31. The Company shall have a first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either alone or jointly with any other person and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares

and such lien shall extend to all dividends from time to time declared in respect of such shares, besides bonus on such shares. But the Board at any time may declare any shares to be exempt, wholly, or partially, from the provisions of the Articles.

#### **Enforcing of lien by sale**

32. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which lien exists or is presently payable has been given to the registered holder.

#### **Authority of transfer**

33. To give effect to such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

#### **Application of proceeds of sale**

34. The net proceeds of any such sale shall be applied towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of the sale.

### **FORFEITURE OF SHARES**

#### **If call or installment not paid, notice may be given**

35. If a member fails to pay any call or installment of a call on the day appointed for the payment thereof, the Board may, at any time thereafter during such time as any part of such a call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued.

#### **Form of Notice**

36. The notice aforesaid shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

#### **If notice not complied with, shares may be forfeited**

37. If requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

#### **Surrender of Shares**

38. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon the surrender of any share liable to forfeiture and so far as the law permits of any other shares.

#### **Board's right to disposal of forfeited shares or cancellation of forfeiture**

39. A forfeited or surrendered share may be sold or otherwise disposed of on such terms and in such manner as the Board may think fit, and at any time before such sale or disposal, the forfeiture or surrender may be cancelled on such terms as Board may think fit.

#### **Liability after forfeiture**

40. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares; but shall, notwithstanding the forfeiture, remain liable to pay and shall forthwith pay to the

Company all moneys, which at the date of forfeiture were presently payable by him to the Company in respect of the shares whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys in respect of the shares.

#### **Declaration of forfeiture**

41. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been fully forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to shares, and that declaration and the receipt of the Company for the consideration, if any, given for the share on the sale or disposal thereof, shall constitute good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale or disposal of the share.

#### **Non-Payment of sums payable at fixed times**

42. The provisions of these regulation as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal amount of the share or by way of premium or otherwise, as if the same had been payable by virtue of a call duly made and notified.

### **TRANSFER AND TRANSMISSION OF SHARES**

#### **Transfer of shares**

43. (1) A common form of transfer shall be used. The company shall not register a transfer of securities of the company, other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer/common form of transfer as prescribed in the Rule made under sub- section (1) of Section 56 of the Act, duly stamped, dated and executed by or on behalf of the transferor and the transferee and specifying the names, address and occupation, if any, of the transferee alongwith the certificate of shares to which it relates and such other evidence as the Company may require to prove the title of the transferor, has been delivered to the company by the transferor or the transferee within a period of sixty days from the date of execution, along with the certificate relating to the securities, or if no such certificate is in existence, along with the letter of allotment of securities:

Provided that where instrument of transfer/common form of transfer has been lost or the instrument of transfer/ common form of transfer has not been delivered within the prescribed period, the company may register the transfer on such terms as to indemnity as the Board may think fit.

- (2) No instrument of transfer/common form of transfer shall be necessary as regards transfer of shares or other securities held in dematerialized form and such transfers shall be registered in accordance with the applicable regulation of the Depositories Act, 1996;

Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the company may register the transfer on such terms as to indemnity as the Board may think fit.

- (3) Where any instrument of transfer of shares has been delivered to the company for registration and the transfer of such shares has not been registered by the company, it shall notwithstanding anything contained in any other provisions of the Act;

- (a) Transfer the dividend in relation to such shares to the Special Account referred to in Sec. 124 of the Companies Act, 2013, unless the company is authorised by the Registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer and

- (b) Keep in abeyance in relation to such shares any offer of-Rights under clause (a) of Sub-section (1) of Sec. 62 and any issue of fully paid up bonus shares in pursuance of Proviso to Sub-Section (5) of Section 123 of the companies Act, 2013.
- (4) (a) An application for the registration of a transfer of any share(s) debenture(s) or any other securities or other interest of a Member in the Company may be made either by the transferor or by the transferee.
  - (b) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered, unless the Company gives notice as per Rules to Act, of the application to the transferee, and the transferee make “no objection” to the transfer within two weeks from the receipt of the notice.
  - (c) For the purpose of sub-article(b) above, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.
- (5) No share shall in any circumstance be transferred to an infant, insolvent or person of unsound mind.

**Board’s power to refuse registration of transfer**

- 44. Nothing in these presents shall prejudice the powers of the Company to refuse to register the transfer of any shares.
- 45. The Board of Directors may refuse to register the transfer of any shares to the name of the transferee on any one or more of the following grounds:-
  - (a) That the instrument of transfer/common form transfer is not proper or has not been duly stamped and executed or compares more than one class of shares or that the certificate relating to the shares has not been delivered to the Company or that any other requirement under the Law relating to the registration of such transfer has not been complied with.
  - (b) That the transfer is in contravention of any law.
  - (c) That the transfer is likely to result in such change in the composition of the Board of Directors as would be prejudicial to the interest of the Company or to the public interest and/or is in contravention of any statutory/regulatory guidelines, instructions or advices, as may be considered by the Board as ‘sufficient cause’ for refusal to be recorded in writing, in which event the concerned stock exchange shall be taken into confidence, when so required, as to the reason for such rejection.
  - (d) That the transfer is prohibited by any Order of the Court, Tribunal or other authority under any law for the time being in force.
- 46. (a) Notwithstanding anything contained in Articles 45 but subject to the provisions of Section 44 of the Act and the Rules and Regulations made there under and other applicable laws the Board may, at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares and by giving reasons for such refusal and in particular may so decline in respect of the shares upon which the Company has lien or whilst any monies in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be affected by the fact that proposed transferee is already a Member.
 

Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

  - (b) Without prejudice to the foregoing provisions and without limiting in any manner the generality of the above provisions, the Board may, at their absolute and uncontrolled discretion, refuse to register the transfer of any shares or other securities of the Company being shares or securities issued by the Company, in favour of any transferee whether individual, firm, group, constituent of a group, Body Corporate or Bodies Corporate under the same management or otherwise and whether in his or its own name or in the name of any other person, if the

Board is satisfied that as a result of the proposed transfer of any shares or securities or block of shares of the Company, a change in the composition of the Board of Directors or change in the controlling interest of the Company is likely to take place and that such change would be prejudicial to the interest of the Company or to the public interest. For the purpose of this Article, the Board shall be entitled, inter alia to rely upon this Article to form its own opinion as to whether such registration of transfer of any shares or other securities should be refused or not.

- (c) If the Company refuses to register the transfer of any shares, it shall, within a period of sixty days from the date on which the instrument of transfer is delivered to the Company, send to the transferee and the transferor notice of the refusal.

47. **Particulars of transfer to be entered to the Register of Members/Endorsement of transfer and issue of Certificate**

- (a) The particulars of every transfer or transmission of any shares and all other particulars of shares shall be entered in the Register of Members as required by the Act.
- (b) Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some other person for the time being duly authorised by the Board in that behalf. In case any transferee of a share shall apply for a new certificate in lieu of the old or existing certificate, he shall be entitled to receive a new certificate on payment of fee not exceeding that which may be agreed upon with the appropriate Stock Exchange.

**Custody of Transfer Deeds**

48. The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of eight years, or more.

**Closure of Register of Members and Register of Debenture holders.**

49. The Board may after giving not less than seven day's previous notice by advertisement in one vernacular newspaper and English newspaper circulating in the District in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture holders for any period or periods not exceeding in the aggregate forty five days in each year but not exceeding thirty days at any one time, as envisaged under Section 91 of the Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014.

**Transmission of shares**

50. (1) The executors or administrators of deceased member (not being one of several joint holders) or the holder of a succession certificate empowered thereby to receive dividends on and to negotiate any shares belonging to a deceased member, shall be the only persons recognised by the Company, as having any title to the shares registered in the name of such member; provided that should the member be a member of a joint Hindu family, the Board on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family may recognise the survivors or the Karta thereof as having title to the shares registered in the name of such member; provided further that in any case it shall be lawful for the Board in their absolute discretion to dispense with the production of probate or letters of administration or other legal representation upon such terms as indemnity or otherwise, as the Board may deem fit.
- (2) On the death of one or more of joint holders of any shares, the survivors/ survivor alone shall be the only persons recognised by the Company as having any title to or interest in such shares. In the event of the death of any sole holder or of the death of the last surviving holder the executors or administrators of such or other persons legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased. Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased share holder.

- (3) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any shares which were jointly held by him with other persons.

**51. Nomination of shares**

- (i) Any person who becomes a nominee by virtue of the provisions of Section 72 of the Act, upon production of such evidence as may be required by the Board and subject as hereinafter provided, be either get registered himself as holder of the share or debenture, as the case may be; or authorised to transfer the share or debenture, as the case may be, as the deceased shareholder or debenture holder, as the case may be could have made.
- (ii) if the person being a nominee, so becoming entitled elects to be registered as holder of the share or debenture himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.
- (iii) All the limitations, restrictions and provisions of this Act, relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as aforesaid.
- (iv) A person being a nominee, becoming entitled to a share or debenture by reason of the death of the holder shall be entitled to the same dividends and other advantage to which he would be entitled if he were the registered holder of the share or debenture except that he shall not, before being registered a member, in respect of his share or debenture, be entitled in respect of it, to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with, within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

**Rights and liabilities of legal representatives**

52. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member, may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, elect either;
- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the shares as the deceased or insolvent member could have made.
- (2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

**Notice of election by legal representatives**

53. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the shares.
- (3) All the limitations, restrictions and provisions of these regulations, relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- (4) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered

as a member in respect of the share be entitled to in respect of it to exercise any right conferred by membership in relation to meetings of the Company; provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with, within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

#### **Company's right to register transfer by apparent legal owner**

54. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title or interest to, or in the same shares and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, but the Company shall nevertheless be at liberty to have regard and attend to any such notice and give effect thereto, if the Board shall think fit.

### **REGISTER OF MEMBERS**

#### **Register of Members and Debenture Holders.**

55. (a) The Company shall cause to be kept a register and index of members or other security holders in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any medium as may be permitted by law including in any form or electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.
- (b) Subject to the provisions of Section 91 of the Act, the Directors shall have power to close the Register of Members or Debenture- holders of the Company.

#### **Inspection of Registers**

56. (a) The registers and indices maintained pursuant to section 88 and copies of returns prepared pursuant to section 92, shall be open for inspection during business hours, of two hours ( 11.00 am to 01.00 pm) on every working day as the board may decide, by any member, debenture holder, other security holder or beneficial owner without payment of fee and by other person on payment of a fee of Rs. 50/- for each inspection.
- (b) Any such member, debenture holder, security holder or beneficial owner or any other person may require a copy of any such register or entries therein or return on payment of Rs. 10/- for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.
- (c) The Company shall send to any Member, Debenture- holder or other persons, on request, a copy of the Register of Members, the Index of Members, the Register and Index of Debenture- holders or any part thereof required under the Act, on payment of such sum as may be prescribed by the Act. The copy shall be sent within the period prescribed by the Act.

### **SET - OFF OF MONEYS DUE TO SHAREHOLDERS**

#### **Set - off of moneys due to share holders**

57. Any money due from the Company to a shareholder may without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other persons to the Company in respect of calls.



## **CONVERSION OF SHARES INTO STOCK**

### **Conversion of shares**

58. The Company may by ordinary resolution convert all or any fully paid-up shares of any denomination into stock and vice versa.

### **Transfer of stocks**

59. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which the shares from which the stock arose, might before the conversion have been transferred, or as near thereto as circumstances admit; provided, that the Board may, from time to time fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

### **Rights of stock holders**

60. The holders of stock shall according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

### **Applicability of Regulations to stock and stock holders**

61. Such of the regulations contained in these presents (other than those relating to share warrants) as are applicable to fully paid up shares shall apply to stock and the words "share" and "shareholders" in these presents shall include "stock" and "stockholder" respectively.

## **ALTERATION OF CAPITAL**

### **Alteration of Capital**

62. (1) The Company in General Meeting may from time to time alter the conditions of its Memorandum of Association as follows, that is to say, it may
- (a) increase its authorized share capital by such amount as it think expedient.
  - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - (c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination.
  - (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub division the proportion between the amount paid and the amount if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived, or
  - (e) cancel any shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- (2) The resolution whereby any share is sub divided may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards, dividend, capital or otherwise over or as compared with the others.

### **Application of provisions to new shares**

63. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture, and otherwise as the share in the original share capital.

### **Reduction of capital etc.**

64. The Company may by special resolution reduce in any manner and in particular, may
- (a) extinguish or reduce the liability on any of its shares in respect of the share capital not paid- up:  
or
  - (b) either with or without extinguishing or reducing liability on any of its shares:-
    - (i) Cancel any paid-up share capital which is lost or is unrepresented by available assets  
: or
    - (ii) Pay off any paid-up share capital which is in excess of the wants of the company, alter its memorandum by reducing the amount of its Share capital and of its shares accordingly.

Provided that no such reduction shall be made if the company is in arrears in the repayment of any deposits accepted by it, either before or after the commencement of this Act, or the interest payable thereon.

## **GENERAL MEETING**

### **Annual General Meeting**

65. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as annual general meeting at intervals and in accordance with the provision specified below:-
- (a) The first annual general meeting of the Company shall be held within a period of nine months from the date of closing of the first financial year.
  - (b) The next annual general meeting of the company shall be held within six months after the expiry of the financial year in which the first annual general meeting was held and thereafter the annual general meeting shall be held by the Company within six months after the expiry of each financial year, subject however to the power of the Registrar of Companies to extend the time within which such a meeting can be held for a period not exceeding three months, and subject there to not more than fifteen months shall elapse from the date of one annual general meeting and that of the next.
  - (c) Every annual general meeting shall be called for at a time during business hours on a day that is not a National holiday and shall be held either at the registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated.
  - d) Notice calling such meetings shall specify them as annual general meetings.
  - e) All other meetings shall be referred to as Extraordinary general meetings.

### **Extraordinary general meetings by Requisition**

66. (1) The Board shall on the requisition of such number of members of the Company as is specified below proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.
- (2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be in writing or through electronic mode and shall be served 21 days prior to the proposed meeting.
  - (3) The notice shall be signed by all the requisitionists or by a requisitionist duly authorized in writing by all other requisitionists on their behalf or by sending an electronic request attaching therewith a scanned copy of such duly signed requisition.
  - (4) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit or despatch to the Registered Office of the requisition, not less than 1/10 of such of the paid up capital of the Company as at that date carries the right of voting in regard to the matters set out in the requisition.

- (5) If the Board does not within 21 days from the date of the deposit of the requisition with regard to any matters proceed duly to call a meeting for the consideration of those matters, on a day not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists, within a period of three months from the date of requisition.
- (6) Where the meeting is not convened inspite of a requisition, the requisitionist shall have a right to receive list of members together with their registered address and number of shares held and the company is bound to give a list of members together with their registred address made as on twenty first day from the date of receipt of valid requisition together with such changes, if any, before the expiry of the forty- five days from the date of receipt of a valid requisition.

#### **Length of notice for calling meeting**

67. A general meeting of the Company may be called by giving not less than clear 21 days notice which shall be given by speed post or registered post or through electronic mode.

Provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by members of the Company holding not less than 95% of that part of the paidup share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for purpose of this Article in respect of the former resolution or resolutions and not in respect of the latter.

#### **Accidental omission to give notice not to invalidate meeting**

68. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of, or, any resolution passed at, such meeting.

#### **Special Business**

69. (a) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exception of business relating to:
  - (i) The consideration of the financial statements Reports of the Directors and Auditors; ,
  - (ii) the declaration of a Dividend;
  - (iii) the appointment of Directors in the place of those retiring; and
  - (iv) the appointment of and fixing of the remuneration of the Auditors.
- (b) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such items of business, including in particular the nature of the concern or interest, financial or otherwise, if any, therein of every Director and manager if any; and every other Key Managerial Personnel and relatives of all such persons. . Where any item of business consists of according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Provided that where any item of special business as aforesaid to be transacted at the meeting of the Company, relates to or affects any other Company, the extent of share holding interest in that other Company of every such personnel, shall also be set out in the statement if the extent of such shareholding interest is not less than 2%(two percent) of the paid up share capital of that other Company.

## PROCEEDINGS AT GENERAL MEETINGS

### Quorum

70. Thirty (30) members personally present shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the time when the meeting proceeds to business as well as throughout the meeting.

### If quorum not present, when meeting to be dissolved and when to be adjourned.

71. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall stand cancelled.; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall form a quorum.

### Chairman of General Meeting

72. (1) The Chairman of the Board of Directors, shall preside as Chairman at every General Meeting of the Company.
- (2) If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the members present shall choose another Director as Chairman of the meeting, and if no Director is present within 15 minutes after the time appointed for holding of the meeting or if all the Directors decline to take the chair, then the members present shall choose one of their members to be Chairman of the meeting.

### Adjournment of the meeting

73. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time and from place to place; but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### Question at General Meeting how decided

74. At any General meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded as per the Act or the voting is carried out electronically as per section 108 of the Act and Rules thereon, be decided on a show of hands., A declaration by the Chairman that a resolution has, on a show of hands been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

### Casting Vote

75. In the case of an equality of votes, the Chairman shall, both on a show of hand and on a poll, have casting vote in addition to the vote or votes to which he may be entitled as a member.

### Taking of poll

76. If a poll is duly demanded in accordance with the provisions of Section 109 of the Act it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be decision of the meeting on the resolutions on which the poll was taken.

### In what cases poll taken without adjournment

77. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than 48 hours from the time when demand was made, as the Chairman may direct.

### **No member entitled to vote while call due to the Company**

78. No member shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of share holders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any call or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right of lien.
79. Subject to the provisions of these Articles, and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid up Equity Share Capital of the Company. Provided, however; if any preference Shareholder be present at any meeting of the Company, save as provided under second proviso to sub section ( 2) of Section 47 of the Act, he shall have right to vote only on resolutions placed before the meeting which directly affect the rights attached to the Preference Shares.

### **Validity of votes**

80. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote disallowed at such meeting shall be valid for all purposes.
- (2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

### **Business may proceed notwithstanding demand for poll**

81. A demand for a poll shall not prevent the continuance of the meeting for the transaction of any other business than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or the persons who made the demand.

### **Vote by joint holders**

82. If there be joint registered holders of any share, any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint- holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.

### **Vote on behalf of member of unsound mind or minor**

83. A member of unsound mind, or in respect of whom an order had been made by any court having jurisdiction in lunacy, or minor, may vote, whether on a show of hands, or on a poll, by his nominee or other legal guardian, and any such nominee or guardian may, on a poll, vote by proxy.

### **Proxies permitted on polls**

84. On a poll, votes may be given either personally or by proxy.

### **Instrument of proxy**

85. (1) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing, or if the appointer is a corporation either under the common seal or under the hand of an officer or attorney so authorized. Any person may act as proxy whether he is a member or not.
- (2) A corporate body (whether a Company within the meaning of the Act or not) may, if it is a member or a creditor or a debenture holder of the company, by the resolution of its Board of Directors or other governing body authorise such person as it think fit to act as its representative at any meeting of any class of members of the Company or at any meeting of any creditors of

the Company held in pursuance of the Companies Act or any Rules made there-under or in pursuance of the provisions contained in any Debenture Trust Deed as the case may be. The person so authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as that body could exercise if it were an individual member, creditor or holder of debenture of the Company.

- (3) So long as an authorisation under clause (2) above is in force, the power to appoint proxy shall be exercised only by the person so appointed as representative.

#### **Proxy to be deposited at the office**

86. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Registered office of the Company, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

#### **Validity of vote by proxy**

87. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death of appointer, or the revocation of the proxy, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which proxy is used.

#### **Form of proxy**

88. The instrument appointing a proxy shall be in the form specified in the Rules made under Section 105 of the Act or otherwise prescribed by the Act from time to time.

#### **Time for objections to votes**

89. No objection shall be made to validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

#### **Chairman of any Meeting to be the Judge of validity of any vote**

90. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

### **MINUTES**

91. (1) The Company shall comply with the requirements of Section 118 of the Act, in respect of keeping of the minutes of all proceedings of every General Meeting and of every meeting of the Board or any committee of the Board and resolutions passed by postal ballot.
- (2) The Chairman of the meeting may exclude at his absolute discretion such of the matters, as, or could reasonably be regarded as, defamatory of any person, irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

### **DIRECTORS**

#### **Number of Directors**

92. Until otherwise determined by a General Meeting and subject to Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen.

Provided that so long as the Kerala State Industrial Development Corporation Limited (KSIDC) and Nitta Gelatin Inc. (NITTA) hold shares in the Company, the representatives of KSIDC and NITTA on the Board shall be as per the promotional agreement between KSIDC and NITTA.

93. The First Directors of the Company -

K.T. Chandy Mitsuru Izumi

P.J. Thomas Seiichi Nitta

M.R.C Warriar Tadashi Nishino

#### **Remuneration of Directors**

94. Subject to the provisions of Sections 197 of the Act, a Director who is in the Whole-time employment of the Company may be paid remuneration either by way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

The fee payable to a Director (including a Whole-time Director, if any) for attending a meeting of the Board or committee thereof shall be such sum as may be determined by the Board from time to time not exceeding the maximum limits prescribed pursuant to Section 197(5) of the Act.

#### **Special remuneration of Directors performing extra services and reimbursement of expenses.**

95. (1) If any Director be called upon to perform extra services or special exertions or efforts (Which expression shall include work done by a Director as a Member of any Committee formed by the Directors) the Board may arrange with such Director for such special remuneration for extra services or special exertions or efforts either by a fixed sum or otherwise and such remuneration may be either in addition to or in substitution for his remuneration above provided, so however that;

(a) the services rendered are of a professional nature: and

(b) in the opinion of the Nomination and Remuneration Committee, if the company is covered under sub- section (1) of section 178, or the Board of Directors in other cases, the director possess the requisite qualification for the practice of the profession.

(2) The Board may allow and pay to any Director, who is not a bonafide resident of the place where the meeting of the Board is held and who shall come to such place for the purpose of attending a meeting, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be paid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.

#### **Qualification of Directors**

96. A Director shall require no share qualification.

#### **Additional Director**

97. The Directors shall have power at any time and from time to time to appoint any other person as a Director as an addition to the Board so that the total number of Directors shall not at any time exceed the maximum number as herein above mentioned under the Act. Any Directors so appointed shall hold office only until the conclusion of the next following Annual General Meeting of the Company and shall be eligible for re- election at such a meeting.

#### **Casual Vacancy**

98. If the office of any Director appointed by the company in General meeting is vacated before his term of office will expire in the normal course, the resulting a Casual vacancy occurring in the Board of Directors may be filled up by the Directors, and the person so appointed shall hold office up to the date on which the Director in whose place he is appointed would have held office if it had not been so vacated.

#### **Alternate Directors**

99. (1) The Board of Directors of the Company may appoint Alternate Director to act for a Director (hereinafter, called in this clause 'the Original Director') during his absence for a period of not less than three months from India.

- (2) An Alternate Director appointed under sub-clause (1) shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to India.
- (3) If the term of Office of the Original Director is determined before he so returns to India, any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

### **Continuing Directors may act**

100. The continuing Directors may act notwithstanding any vacancy in their body, such that if the number falls below the minimum above fixed, the directors shall not, except for the purpose of filling up vacancies, act so long as the number is below the minimum.

### **Vacation of Office by Directors**

101. (1) The office of a director shall become vacant in case—

- (a) he incurs any of the disqualifications specified in section 164;
- (b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (c) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
- (d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;
- (e) he becomes disqualified by an order of a court or the Tribunal;
- (f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:  
Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;
- (g) he is removed in pursuance of the provisions of this Act;
- (h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

### **Director may contract with Company**

102. (1) Subject to the provisions of the Act, the Directors shall not be distinguished by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any Company or partnership of or in which any Director shall be a member or otherwise interested be avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such Contract or arrangement by reason only if such Director holding the fiduciary relation thereby established; but the nature of the interest must be disclosed by him or them at the meeting of the Board at which the contract or arrangement is determined, or if the interest then exists or in any other case at the meeting of the Board after the acquisition of the interest.

Provided however that such contract shall unless they are capable of being shown as having been entered in its ordinary course of business in arm's length basis, be entered with the consent of the Board of Directors given by a resolution at a meeting of the Board and subject to such conditions as may be prescribed thereat. Provided also that it shall further be subject to condition prescribed in the Act regarding an approval by special resolution, by the General Board of shareholders.

Provided nevertheless that no Director shall, take part in the discussion of vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and if he



does so, his vote shall not be counted, but he shall be entitled to be present at the meeting during the transaction of the business in relation to which he is precluded from voting although he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to give the Directors or any of them any security by way of indemnity against any loss which they or any of them suffer by becoming or being sureties for the Company or to any contract or arrangement entered into or to be entered into with a public Company; a private which is a subsidiary of a public Company, in which the interest of the Director aforesaid consists solely in his being a Director of such Company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as Director thereof, he having been nonthated as such Director by the Company.

- (2) A general notice that any Director is a Director or a member of any specified company or is a member of any specified firm and is to be regarded as concerned or interested in any subsequent transaction with such company or firm shall, as regards any such transaction be sufficient disclosure of the concern or interest under this article, and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such company or firm.
- 3) A Director may be, or become, a Director or member of any Company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such director shall be accountable to the Company for any benefits received as a director or member of such company.

### **Rights of Directors**

103. Except as otherwise provided by these Articles, all the Directors of the Company shall have in all matters equal rights and privileges and be subject to equal obligations and duties in respect of the affairs of the Company.

## **RETIREMENT OF DIRECTORS**

### **Rotation and retirement of Directors**

104. (1) At every Annual General Meeting of the Company one-third of Directors who are liable to retire by rotation for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.
- (2) Ex-Officio Directors shall not be liable for retirement by rotation.
- (3) The term Ex-Officio Director means any Technical, Special or Debenture Director appointed under Article 129 below reading, 'nomination of Directors'

### **Retiring Director eligible for re-election**

105. A retiring Director shall be eligible for re-election .The Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereat.

### **Which Directors to retire**

106. The Directors to retire in every year shall be those who have been longest in office since their last election; but, as between persons who became Directors on the same day, those to retire shall, unless otherwise agreed among themselves, be determined by lot.

### **Retiring Director to remain in office till successor's appointment**

107. If at any General Meeting at which an election of Directors ought to take place, the place of any retiring Director is not filled up, and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned to the same day in the next week at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, then the retiring Director

whose place has not been so filled up shall be deemed to have been re-elected at the adjourned meeting, unless:

- (i) At the meeting or at the previous meeting, a resolution for the re appointment of such Director has been put to the meeting and lost:
- (ii) The retiring Director has, by a notice in writing addressed to the Company or the Board of Directors, expressed his unwillingness to be so re-appointed:
- (iii) He is not qualified or is disqualified for appointment;
- (iv) A Resolution, whether Special or Ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act.
- (v) Section 162 shall be applicable to any such appointment.

#### **Power of General Meeting to increase or reduce number of Directors**

108. Subject to the provisions of section 149,151 and 152, of the Act the Company in General Meeting may increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to retire.

#### **Power to remove Directors by ordinary resolution**

109. Subject to the provisions of Section 169 of the Act, the Company may by an ordinary resolution remove any Director before the expiration of his period of office and by an ordinary resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a Director in the day on which the Director in whose place he is appointed was last elected as Director.

#### **Right of persons other than retiring Directors to stand for Directorship**

110. A person not being retiring Director shall be eligible for appointment to the office of a Director at any General Meeting if he or some other member intending to propose him as a Director has, not less than 14 days before the meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature for the Office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be; alongwith a deposit of Rs.1,00,000/- (Rupees One lakhs) which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of the total valid votes either on show of hands or on poll on such resolution provided that such person by himself or by his agent authorised in writing has signed and filed with the Registrar a consent in writing to act as such Director.

### **PROCEEDINGS OF DIRECTORS' MEETINGS**

#### **Meeting of the Board**

- 111.(1) The Board may meet for the dispatch of business, adjourn and otherwise regulate the meetings, as they think fit, provided that . the Board shall meet atleast once in every calendar quarter, with a maximum interval of 120 days between any two consecutive meetings of the Board, such that at least 4 meetings are held in each calendar year.
- (2) The Chairman may at any time and the Manager, Secretary or such other Officer of the Company as may be authorized by the Board, shall upon the requisition of one – third number of members of the Board as are in office, convene a meeting of the Board. If, within 15 days of the requisition in writing to convene a meeting of the Board, the chairman or the authorized official fails to convene the meeting, the requisitionists themselves may convene a meeting of the Board.
- (3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the Company and such notice shall be sent by hand delievery or by post or by electronic means.

Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that atleast one independent director, if any, shall be present at the meeting:

Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by atleast one independent director, if any.

### **Quorum**

112. The quorum for a meeting of the Board shall be one-third of the total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher, and the participation of the directors by video conferencing or other audio visual means shall also be counted for the purpose of quorum provided that where at any time the number of interested Directors is equal to or exceeds two thirds to total strength, the number of the remaining Directors, that is to say the number of the Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors, actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time. The term “interested Director” means any director within the meaning of section 184(2) of the Act.

### **Question how decided**

113. (1) Save as otherwise expressly provided in the Act, a meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally, and all questions arising at any meeting of the Board shall be decided by a majority of the Board.

In case of an equality of Votes, the Chairman shall have a second or casting vote in addition to his vote as a Director Provided that the Chairman shall not have a casting vote at the election of a Chairman of the Board.

### **Chairman**

114. (1) The Chairman of the meetings of the Board of Directors of the Company will be appointed as per Article 121
- (2) If a person has been appointed as Chairman under clause (1) above or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their numbers to be Chairman of the meeting.

### **Committee**

115. (1) The Board of Directors may, from time to time, appoint one or more committees consisting of one or more members of their body, as the Board may deem fit.
- (2) The quorum of a Committee may be fixed by the Board and until so fixed if the Committee is of a single member or two members the quorum shall be one and if more than two members it shall be two.

### **Election of Chairman of the Meeting of the Committee**

116. If the Chairman of the Board is a member of the Committee, he shall preside over all meetings of the Committee. If the Chairman is not a member thereof, the Committee may elect a Chairman of its meetings; if no such Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members of the Committee present may choose one of their numbers to be Chairman of the meeting.

### **Question how determined**

117. (1) A Committee may meet and adjourn as it thinks proper.
- (2) Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be, and in

case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

**Acts done by Board or Committee valid notwithstanding defective appointment etc.**

118. All Acts done by any meeting of the Board or a Committee thereof, or by any person acting as Director shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director and such persons had been duly appointed and was qualified to be a Director.

**Resolution by Circulation**

119. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee, then in India, not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may be and to all other Directors or members of the Committee at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote on the resolution shall be as valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

**POWER AND DUTIES OF DIRECTORS**

**Powers of Company vested in Directors**

120. (A) The business of the Company shall subject to the provisions thereof be managed by the Board of Directors; who may exercise all such powers of the Company as are not by the Act of any statutory modification thereof for the time being in force, or by these presents; required to be exercised by the Company in General meeting, subject nevertheless to any regulation of these presents, to the provisions of the said Act, and to such regulation being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting, but no regulation made by Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- (B) Without prejudice to the generality of the powers conferred by the last preceding clause, and the other powers conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers, that is to say, powers:-
- (1) To carry on and transact the several kinds of business specified in Clause III of the Memorandum of Association of the Company.
  - (2) To draw, accept, endorse, discount, negotiate and discharge on behalf of the Company all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, delivery orders, Government promissory notes, other Government instrument bonds, debentures or debenture stock of Corporations, Local Bodies, Port Trusts, Improvement Trusts or other Corporate Bodies and to execute transfer deeds for transferring stocks, share or stock certificates of the government and other local or corporate bodies in connection with any business or any subject of the Company.
  - (3) To acquire by purchase, lease, exchange, or otherwise, land, estates, fields, office, showrooms, godowns and other buildings in the State of Kerala or elsewhere, machinery, engine, plant or rolling stock, tools, machine tools, outfits, stores, hardware and any other materials of whatever description either for credit or for cash and present or future delivery.
  - (4) At their discretion, to pay for property rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities, of the company and any such shares may be issued either as fully paid up or with amount credited as paid up thereon as may be agreed upon and any such bonds, debentures or other securities may be either specifically charged upon all or any of the Company or not so charged.

- (5) To engage and in their discretion to remove, suspend, dismiss and remunerate bankers, legal advisers, accountants, cashiers, clerks, agents, commission agents, dealers, brokers, foremen, servants, employees of every description and to employ such professional or technical or skilled assistants as from time to time may in their opinion be necessary or advisable in the interest of the Company and upon such terms as to duration of employment, remuneration or otherwise and may require security in such instances and to such amounts as the Directors think fit.
- (6) To secure the fulfillment of any contracts or agreements entered into by the Company, by mortgage or charge of all or any of the property of the Company or in such other manner as they may think fit.
- (7) To institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings.
- (8) To plant, develop, improve, cutdown, process, sell or otherwise dispose of the products of the Company and to incur all expenses in this behalf.
- (9) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- (10) To determine who shall be entitled to sign on the Company's behalf bills of exchange, pronotes, dividend warrants, cheques and other negotiable instruments, receipts, acceptances, endorsements, releases, contracts, deeds and documents.
- (11) From time to time provide for the management of the affairs of the Company in any specific locality in India or abroad in such manner as they think fit and in particular to appoint any persons to be the attorneys or agents of the Company either abroad or in India with such powers including power to sub- delegate and upon such terms as may be thought fit.
- (12) To invest and deal with any of the moneys of the Company not immediately required for the purpose thereof upon such securities as they think fit.
- (13) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgage of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.
- (14) To give to any person employed by the Company a commission of the profits of any particular business or transactions, or a share in the general profits of the Company, and such commission, or share of profits, shall be treated as part of the working expenses of the Company.
- (15) From time to time make, vary and repeal bylaws for the regulation of the business of the Company, its officers and servants.
- (16) To enter into all such negotiations and contracts, and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purpose of the Company.
- (17) To pay gratuities, bonus rewards, presents and gifts, to employees or dependants of any deceased employees, to charitable institutions or purposes, to subscribe for provident funds, and other associations for the benefit of the employees.
- (18)
  - (i) To appoint or remove Key Managerial Personnel (KMP )
  - (ii) To take note of appointment(s) or removal (s) of one level below the the Key Managerial Personnel:

- (iii) To appoint internal auditors and secretarial auditor;
- (19) To authorize buy-back of securities under section 68 of the Act,
- (20) To have an official seal for use abroad.
- (C) (1) The Board of Directors of a company shall exercise the following powers on behalf of the company by means of resolutions passed at meetings of the Board, namely:—
  - (a) to make calls on shareholders in respect of money unpaid on their shares;
  - (b) to authorise buy-back of securities under section 68;
  - (c) to issue securities, including debentures, whether in or outside India;
  - (d) to borrow monies;
  - (e) to invest the funds of the company;
  - (f) to grant loans or give guarantee or provide security in respect of loans;
  - (g) to approve financial statement and the Board's report;
  - (h) to diversify the business of the company;
  - (i) to approve amalgamation, merger or reconstruction;
  - (j) to take over a company or acquire a controlling or substantial stake in another company;
  - (k) any other matter which may be prescribed as per the rules framed under the Act.
- (2) The Board may by a resolution passed at meeting delegate to any Committee of the Board, if any, powers specified in sub-clauses (d), (e), and (f) of clause (1) above.
- (3) Every resolution delegating the power set out in sub-clause (d) of clause (1) above shall specify the total amount outstanding at any one time upto which the money may be borrowed by the said delegatee.
- (4) Every resolution delegating the power referred to in sub-clause (e) of clause (1) a b o v e shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegatee.
- (5) Every resolution delegating the power referred to in sub-clause (f) of clause(1) above shall specify the total amount upto which loans may be made by the delegatee, the purposes for which the loans may be made and the maximum amount of the loan that may be made for each such purpose in individual cases.

#### **Appointment and powers of Managing Directors/Whole-time Directors/Technical Directors**

- 121. (1) Subject to the provisions of the Act, the Board may appoint Managing Director or Managing Directors, Whole-time Director or Whole-Time Directors or Technical Director or Directors at such remuneration and upon such conditions as they may think fit. So long as the Kerala State Industrial Development Corporation (KSIDC) and Nitta Gelatin Inc. (NITTA) hold shares in the Company, the Chairman of the Company and the Managing Director of the Company shall be appointed as per the promotional agreement between KSIDC and NITTA.
- (2) A Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire, but (subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Directors of the Company, and he shall, ipso facto and immediately, cease to be a Managing Director or Whole-time Director or Technical Director if he ceases to hold the office of Director from any cause.
- (3) Subject to the provisions of the Act and to the general supervision and control of the Board, any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors or Technical Director or Technical Directors shall have the general direction, management and superintendence of the business of the Company with power to do all acts, matters and things deemed necessary, proper or expedient for carrying on the business and concerns of the

Company, including power to appoint, suspend and dismiss officers, staff and workmen of the Company, to make and sign all contracts and receipts and to draw, accept, endorse and negotiate on behalf of the Company all such Bills of Exchange, Promissory Notes, Hundies, Cheques, Drafts, Government Promissory Notes, or other Government papers and other instruments as shall be necessary, proper or expedient for carrying on the business of the Company and to operate on the bank accounts of the Company and to represent the Company in all suits and all other legal proceedings and to engage Solicitors, Advocates and other Agents and to sight the necessary papers, documents and instruments of authority, to appoint agents or other attorneys and to delegate to them such powers as the Managing Director or Managing Directors or Whole-time Director or Whole-time Directors or Technical Director or Technical Directors may deem fit and at pleasure, such powers to revoke and generally to exercise all such powers and authorities as are not by the Companies Act for the time being in force or by these Articles expressly directed to be exercised by the Board of Directors or by the Company in General Meeting.

- (4) The Managing Director or Managing Directors or Whole-time Director or Whole-time Directors or Technical Director or Technical Directors shall not exercise the powers to
  - (a) make calls on shareholders in respect of money unpaid on their shares in the Company;
  - (b) issue debentures; and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the powers to:-
  - (c) borrow moneys, otherwise than on debentures;
  - (d) invest the funds of the Company; and
  - (e) make loans
- (5) Technical Director or Technical directors shall advise the Board on technical matters and perform such duties and shall exercise such powers as are assigned to him or them by the Board.
- (6) The Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or Whole-time Director or Technical Director who
  - (a) is an undischarged insolvent, or has at any time been adjudged an insolvent;
  - (b) suspends, or has at any time suspended, payment to his creditors, or makes, or has at any time made a composition with them; or
  - (c) is, or has at any time been, convicted by a Court of an offence involving moral turpitude.

#### **Entrenchment Provision**

- 121.A If any amendment is sought to be made in respect of Article 121 of these articles as aforesaid, which largely form part of the Promotional Agreement as modified from time to time, which is a shareholding agreement subsisting interse between the promoters i.e Nitta and KSIDC, such an amendment(s), whatsoever shall not have any effect, so long as the Promotional Agreement, as amended from time to time exists as part of the Joint Venture and unless the Company obtains consent in writing from Promoters i.e Nitta and KSIDC, for the amendment(s) sought to be made.

#### **Legal Proceedings**

122. Any Managing Director or the Secretary for the time being or any other person duly authorised by the Directors shall be entitled to make, give, sign and execute all and every warrant to sue or defend on behalf of the Company, all and every legal proceedings and compositions or compromise, agreement, and submission to arbitration and agreement to refer to arbitration as may be requisite, and for the purpose aforesaid, the Secretary, or such other person may be empowered to use their or his own name on behalf of the Company, and they or he shall be saved harmless and indemnified out of the funds and property of the Company, from and against all costs and damages which they may incur or be liable to by reason of their or his name being so used as aforesaid.

#### **Powers to Delegate to Directors**

123. Subject to the provisions of Section 179 of the Act and the other provisions of the Act, the Board may delegate from time to time and at any time to a Committee formed out of the Directors or to any Directors jointly or severally or to any one Director, any of the powers, authorities and discretions

for the time being vested in the Board and any such delegation may be made on such terms and subject to such conditions as the Board may think fit.

### **Attorney of the Company**

124. The Board may appoint at any time and from time to time by a power of attorney under the Company's seal any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may, if the Board think fit, be made in favour of the members, or any of the members of any firm or Company or the members, directors, nominees or manager of any firm or Company or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board, and any such power of attorney may contain such provision for the protection or convenience of persons dealing with such attorney as the Board may think fit.

### **Duty to Maintain Register etc. and Record of Minutes**

125. The Board shall duly comply with provisions of the Act and in particular with the provisions in regard to the registration of the particulars of the mortgages and charges affecting the properties of the Company or created by it and to keeping a Register of the Directors and to sending to the Registrar an annual list of members and a summary of particulars of shares and stock and copies of special resolutions and such other resolutions of the Board as are required to be filed with the Registrar under Section 117 of the Act and a copy of the Register of Directors and notification of any changes therein.

### **126. Secretary**

The Board shall have power to appoint as the Secretary a person fit in their opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as they may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Directors besides such duties as are envisaged under the Act, Rules and regulations thereon.

### **Powers as to Commencement of Business or Branch of Business**

127. Any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as they shall think fit and further may be kept in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

## **BORROWING**

### **Borrowing**

128. (1) The Board of Directors may from time to time but subject to such consent of the Company in general meeting as may be required under Section 180 of the Act, raise any money or any moneys or sums of money for the purpose of the Company provided that the moneys to be borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not without the sanction of the Company at a general meeting exceed the aggregate of the paid-up Capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose and in particular, but subject to the provisions of Section 179 of the Act, the Board may from time to time at their discretion raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company, by the issue of debentures, perpetual or otherwise, including debentures convertible into shares of this or any other Company or perpetual annuities and in security of any such money so borrowed, raised or received mortgage, pledge or charge, the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled Capital, by special assignment or otherwise, or to transfer or convey the same absolutely or in trust and to give the



lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

- (2) The Directors may by a resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors within the limits prescribed.
- (3) Subject to the provisions of the above sub-clauses, the Directors may, from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company, at such time and in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes, or by opening current accounts, or by receiving deposits and advances with or without security, or by the issue of bonds, perpetual or redeemable debenture stock of the Company charged upon all or any of the part of the property of the Company (both present and future) including its uncalled capital for the time being, or by mortgaging or charging or pledging any lands, buildings, goods or other property and securities of the Company, or by such other means as to them may seem expedient.
- (4) Such debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

### **Nomination of Directors**

129. (a) The Board of Directors may at any time appoint any suitable person as a Technical Director of the Company and thereupon such person shall not be liable for retirement by rotation and shall not be required to hold any qualification shares. The Board of Directors may determine the period for which such person shall hold office as such Technical Director either or till the happening of any contingency or subject to any condition.
- (b) Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), the Industrial Credit & Investment Corporation of India Ltd. (ICICI) and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, LIC and UTI or any other Finance Corporation or Credit Corporation or any other Financing Company or body is hereinafter in this Article referred to as "the Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the corporation on behalf of the company remains outstanding, the Corporation shall have a right to appoint from -time to time, any person or persons as a Director or Directors, whole-time or non whole-time, (which Director or Directors is /are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.
- (c) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/ s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such nonthee Director/s shall not be liable to retirement by rotation of Directors, provided however that the right to appoint non-rotational Directors shall not be limited to the Industrial Credit and Investment Corporation of India, Industrial Finance Corporation of India, a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by the Central Government or State Government by themselves. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

- (d) The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold Debentures/ Shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.
- (e) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/ate member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (f) The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the company to the Corporation or as the case may be to such Nominee Director/s.
- (g) Provided that if any such Nominee Director/s is an Officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.
- (h) Provided further that if such Nominee Director/s is an Officer of the Reserve Bank of India, the sitting fees in relation to such Nominee Director/s shall also accrue to IDBI and the same shall accordingly be paid by the Company directly to IDBI.
- (i) In the event of the Nominee Director/s being appointed as Whole-time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to whole-time Director/s in the Management of the affairs of the Company. Such whole-time Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

### **Terms of Debenture Issues**

130. Any such debentures, debenture stock, bonds or other securities may be issued at a discount, subject to provisions of the Act at premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares of the Company, or otherwise provided that Debentures, Debenture Stock, Bonds and other securities with the right to allotment of or conversion into shares or option or right to call for allotment of shares shall not be issued except with the sanction by a Special Resolution of the Company in General Meeting and subject to such approval of the Central Government as may be required.

### **Register of Mortgages**

131. The Directors shall cause a proper register to be kept in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the Registration of Mortgages and charges therein specified and otherwise.

### **Charge on Uncalled Capital**

132. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may by instrument under the Company's seal authorise the person in whose favour such mortgage or security is executed, or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls, shall mutatis mutandis apply to such calls and power to make such calls may be made exercisable

either conditionally or unconditionally and either to the exclusion of the Board's power or otherwise, and shall be assignable if expressed so to be.

### **Subsequent Assignees of uncalled Capital**

133. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same to such prior charge and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge.
134. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

## **COMMON SEAL**

### **Common Seal**

135. The Board shall provide a Common Seal for the Company and shall have power from time to time to cancel the same and substitute a new seal in lieu thereof. The Common Seal shall be kept at the Registered Office of the Company and committed to the custody of the Secretary, provided however that the common seal shall not be mandatory; as much as provided for under the amended Section 9, Section12, Section22, Section46, and Section 223 of the Companies Act 2013.

### **Affixture of Common Seal**

136. If so required ,the Seal shall be affixed to any instrument only on authority of the resolution of the Board or of a committee of the Board authorised by it in that behalf and unless the Board otherwise determines every deed or other instrument to which the seal is required to be affixed shall, except where the same is executed by a duly constituted attorney for the company, be signed by two Directors in whose presence the seal shall have been affixed and also signed by the Secretary or such other person as may from time to time be authorised by the Board.

## **DIVIDENDS AND RESERVES**

### **Right to Dividend**

137. The profits of the Company (including capital profits) subject to any special rights relating thereto created or authorised to be created by these presents, and subject to the provisions of these presents, as to the Reserve Funds, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively on the last day of the year of account in respect of which such dividend is declared and in the case of interim dividends on the close of the last day of the period in respect of which such interim dividend is paid.
138. Where capital is paid up on any shares in advance of calls, upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

### **Declaration of Dividends**

139. The company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

### **Interim Dividend**

140. Subject to provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to them to be justified by the profits of the company.

### **Dividends to be paid out of profits only**

141. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by section 123 of the Act.

### **Reserve Funds**

142. Subject to the provisions of the Act:-

- (1) the Board may before recommending any dividends set aside out of the Profits of the Company such sum as they think proper as a reserve or reserves, which shall at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends, and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and
- (2) the Board may also carry forward any profits which they may think prudent not to divide, without setting them aside as Reserve.

#### **Method of payment of Dividend**

143. (1) Subject to the rights of persons if any entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amount paid up or credited as paid up on the shares in respect whereof the dividend is paid.
- (2) No amount paid or credited as paid on the share in advance of calls shall be treated for the purposes of these regulations as paid on the share.
- (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

#### **Deduction of Arrears**

144. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the Company.

#### **Adjustments of Dividends against Calls**

145. Any General Meeting declaring a dividend or bonus may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend or bonus payable to him and so that the call can be made payable at the same time as the dividend or bonus and the dividend or bonus may if so arranged between the Company and themselves be set off against the call.

#### **146. Payment of dividend**

- (i) BY ECS/NEFT

For payment of dividend, the Company may use, either directly or through its Registrars and Share Transfer Agent (RTA), any RBI (Reserve Bank of India) approved electronic mode of payment such as Electronic Clearing Services (ECS)/National Electronic Fund Transfer (NEFT); to enable payment whereof, the bank details of individual shareholder should be obtained.

- (ii) In case where either the Bank details such as magnetic Ink character, Recognition (MICR), Indian Financial System Code (IFSC CODE) required for making electronic payment not available, or the electronic payment instruction have failed or have been rejected in the payment process, the company may use physical payment instruction for making payment of dividend to the investors.

#### **Payment of Dividend by Cheque or Warrant**

147. (a) Any dividend, interest or other moneys payable in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of the joint holders who is first named on the Register of members or to such person and to such address as the joint holders may in writing direct.

- (b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (c) Every such cheque or warrant shall be posted within forty-two days from the date of declaration of dividend.
- (d) No unclaimed dividend shall be forfeited by the Board while the Company shall comply with the provisions of Section 124 and Section 125 of the Act.

**Receipt of joint Holders:**

148. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.

**Dividends not to Bear Interest**

149. No dividend shall bear interest against the Company.

**Transfer of Shares not to Pass Prior Dividends**

150. Any Transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

**Notice of dividend**

151. Notice of any dividend that may have been declared shall be given to the persons entitled to the concerned share in the manner mentioned in the Act.

**CAPITALISATION OF PROFITS**

**Capitalisation of Profits**

152. (1) The Company in General Meeting, may on the recommendation of the Board, resolve:-
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution as dividend, or representing Premiums received on the issue of shares and standing to the credit of share premium account be capitalised as herein below
  - (b) that such sums be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) below, either in or towards:
- (i) paying up any amount for the time being unpaid on any shares held by such members respectively:
  - (ii) paying up in full, unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; and
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub clause (ii)
- (3) A share premium Account and a Capital Redemption Reserve Account may for the purpose of this regulation only be applied in paying up of unissued shares to be issued to members of the Company as fully paid up bonus shares.

- (4) The Board shall give effect to resolutions passed by the Company in General Meeting in pursuance of this Article.

#### **Powers of Directors for Declaration of Bonus**

153. (1) Whenever such a resolution as aforesaid shall have been passed the Board shall:
- (a) make all appropriations and applications of the undivided profits resolved to be thereby capitalised and all allotments and issues of fully paid up shares or debentures, if any.
  - (b) generally, to do all acts and things required to give effect thereto.
- (2) The Board shall have full power:
- (i) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as they think fit, in the case of shares or debentures becoming distributable in fractions and also
  - (ii) to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to him respectively credited as fully paid-up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require.), for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares
- (3) Any agreement made under the authority shall be effective and binding on all such members.

### **ACCOUNTS**

#### **Books of Account**

154. (1) The Board shall cause proper books of accounts to be kept in respect of sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchase of goods by the Company, and of the assets and liabilities of the Company.
- (2) If the Company shall have branch office, whether in or outside India, proper books of account relating to the transactions effected at that office, shall be kept at that office, and proper summarised returns, made up to date at intervals of not more than three months, shall be sent by the branch office to Company at the Registered Office, or other places in India as the Board think fit, where the main books of the Company are kept.
- (3) Provided that all or any of the Books of accounts aforesaid may be kept at such other place in India, as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
- (4) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch, as the case may be, with respect to the matters aforesaid, and explain its transactions.

#### **Inspection of Members**

155. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

#### **Statement of Account to be furnished to Annual General Meeting**

156. Once atleast in every calendar year, the Board shall lay before the Company in Annual General

Meeting a Profit and Loss Account for Financial Year of the Company immediately preceding the Financial Year in which such meeting is held and a Balance Sheet containing a summary of the assets and liabilities of the Company made up as at the end of the last working day of that financial year or in case where an extension of time has been granted for holding the meeting up to such extended time and every such Balance Sheet, shall as required by Section 134 of the Act, be accompanied by a report (to be attached thereto) of the Directors as to the state and condition of the Company and as to the amount (if any) which they recommend to be paid out of the profits by way of dividend and the amount (if any) set aside by them for the Reserve Fund, general reserve or Reserve Account shown specifically in the Balance Sheet or to be shown specifically in a subsequent Balance Sheet.

#### **Balance Sheet and Profit and Loss Account**

157. (1) Subject to the provisions of Section 129 of the Act every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in part I and II respectively of Schedule III of the Act or as near thereto as circumstances admit.
- (2) So long as the Company is a holding Company having a subsidiary, the Company shall conform to other relevant provisions of the Act.
- (3) If in the opinion of the Board any of the current assets of the Company may not have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

#### **Authentication of Balance Sheet and Profit and Loss Account**

158. The Balance Sheet and Profit and Loss Account shall be signed by at least four Directors including the Chairman and the Managing Director where there is one, and two other directors, the Chief Financial Officer and the Company Secretary or such other person/ s authorized by the Board. The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with provisions of this Article and before they are submitted to the Auditors for their Report thereon. The Auditors' Report shall be attached to the Balance Sheet and the Profit and Loss Account or there shall be inserted at the foot of the Balance Sheet and the Profit and Loss Account a reference to the Report. A copy of such Balance Sheet and the Profit and Loss Account so audited together with a copy of the Auditors' Report and every other document required by law to be annexed or attached to the Balance sheet; more specifically the Director' Report in the manner envisaged under Section 134 of the Act and Rules thereon, shall not less than 21 days before meeting at which the same are to be laid before the Members of the Company be subject to the provisions of Section 136 of the Act, if so applicable, sent to every trustee for the holders of any debentures and to all persons other than such Members of Trustees, being so entitled.

After the Financial statement, including the consolidated financial statements, along with all the documents which are required to be attached to such financial statements under the Act have been laid before the Company at a General Meeting, shall be filed with the Registrar within thirty days of the date of Annual General Meeting.

#### **Profit and Loss Account to be annexed and Auditors Report to be attached to the Balance Sheet**

159. The profit and Loss Account shall be annexed to the Balance sheet and the Auditors' Report including the Auditors' separate or supplementary report, if any, shall be attached thereto.

#### **Rights of Members to copies of Balance Sheet and Auditors' Report**

160. The Company shall comply with requirements of section 136 of the Act with respect to right / request of members to receive copies of financial statements and reports thereon.

## ANNUAL RETURNS

### Annual Returns

161. The Company shall make the requisite annual returns in accordance with the Sections 92 of the Act.

## AUDIT

### Accounts to be Audited

162. Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter set out.

### Appointment of Auditors

163. (1) The appointment, resignation, power, rights, remuneration and duties of the Auditors shall be regulated by Sections 139 to 146 and Section 148 of the Act.
- (2) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed, shall be re-appointed if.
- (a) he is qualified for re-appointment
  - (b) he has not given the Company notice in writing of his unwillingness to be re-appointed;
  - (c) a special resolution has not been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
- (3) Where at an Annual General Meeting no Auditors are appointed or re-appointed, the existing auditor shall continue to be the auditor of the Company as per Section 139 (10) of the Act.
- (4) The Board may fill any casual vacancy in the office of an Auditor, within 30 days, so however that while any such vacancy continues, the remaining Auditor or Auditors (if any) may act but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting within three months of the recommendation by the Board.
- (5) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member, to the Company not less than six weeks before the meeting in accordance with Section 140(4) of the Act and the Company shall send a copy of such notice to the retiring Auditor and shall give notice thereof to the members and all the other provisions regarding appointment of an auditor shall apply in the matter. The provisions of this clause shall also apply to a resolution that a retiring Auditor shall not be re-appointed.
- (6) Any Auditor may before the expiry of his term be removed from the Office by the Company in General Meeting after obtaining the previous approval of the Central Government in that behalf.
- (7) The person qualified for appointment as Auditor shall be only those referred to in Section 141 of the Act.

### Remuneration of Auditors

164. The remuneration of the Auditors shall be fixed by the company in General Meeting except that the remuneration of any auditors appointed to fill any casual vacancy may be fixed by the Board.

### Rights and duties of Auditors

165. (1) Every Auditor of the Company shall have right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers of the company such information and explanation as may be necessary for the performance of his duties as Auditor.



- (2) All notices of, and other communications relating to, any General Meeting of the Company, which any member of the Company is entitled to have sent to him, shall also be forwarded to the Auditor and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends of any part of the business which concerns him as Auditor.
- (3) The Auditor shall make a report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other documents declared by this Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in General Meeting, during his tenure of office and the report shall state whether, in his opinion and the best of his information and according to the explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:-
  - (i) in the case of the Balance sheet, of the state of Company's affairs as at the end of its financial year; and
  - (ii) in the case of Profit and Loss Account, of the Profit or Loss for its financial year.
- (4) The Auditors' Report shall also state:
  - (a) Whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit.
  - (b) Whether in his opinion, proper books of accounts as required by law have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him.
  - (c) Whether the report on the accounts of any branch office audited under Section 143(8) of the Act by a person other than the Company's auditor has been forwarded to him as required by the said Provisions and how he has dealt with the same in preparing Auditor's Report; and
  - (d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account and returns.
- (5) Where any of the matters referred to in items (i) and (ii) of sub-clause (3) above or in items (a), (b), (c) and (d) of sub-clause (4) above is answered in the negative or with a qualification, the Auditors' Report shall state the reason for the answer.
- (6) The accounts of the Company shall not be deemed as not having been and the Auditors' Report shall not state these accounts have not been, properly drawn up on the ground merely that the Company has not disclosed certain matters if:-
  - (a) those matters are such as the Company is not required to disclose by virtue of any provisions contained in the Companies Act or any other Act, or
  - (b) those provisions are specified in the Balance Sheet and profit and Loss Account of the company.
- (7) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

#### **Conclusiveness of Auditors Report**

166. Every Account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within the period the account shall forthwith be corrected and shall thenceforth be conclusive.

## **SERVICE OF DOCUMENTS AND NOTICE**

### **Service of documents on the Company**

167. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the registered Office of the Company by registered post, or speed post or courier service by leaving it at the Registered Office, or by means of such electronic or other mode as may be prescribed.

### **How Documents are to be served on members**

168. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgement or any other document in relation to or in the winding up of the Company) may be served or sent by the company or to any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or address, or by such electronic or other mode as may be prescribed.
- (2) All notices shall with respect to any registered shares to which persons are entitled jointly be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
- (3) Where a document is sent by post, service thereof shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document provided; that where a member has intimated to the Company in advance that the document should be sent to him by registered post with or without acknowledgment and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and such service shall be deemed to have been effected.
- i) in the case of a notice of a meeting i) at the expiration of forty eight hours after the letter containing the notice is posted; and
  - ii) in any other case, at the time at which the letters would be delivered in the ordinary course or post.

### **Members to Notify Address in India**

169. Each Registered holder of shares shall from time to time notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed his place of residence.

### **Service on Members having no registered address in India**

170. If a member has no registered address in India and has not supplied to the Company an address within India for giving of notices to him, a advertisement in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

### **Service on persons acquiring shares on death or insolvency of members**

171. A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent or by any like description at the address (If any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

### **Persons entitled to notice of General Meetings**

172. Notice of every meeting of the members of the Company is required to be given in writing to every member, Director, Debenture Trustee, and Auditors of the Company.

## **Advertisement**

173. Subject to the provisions of the Act any document required to be served or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised once in a newspaper circulating in the neighbourhood of the Registered Office of the Company.

## **Members bound by documents given to previous holders**

174. Every person, who, by operation of law, transfer, or other means whatsoever shall become entitled to any share shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to such shares.

## **How notice to be signed**

175. Any notice to be given by the Company shall be signed by the Secretary, or by such Director or officer as the Board may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

## **Authentication of documents and proceedings**

176. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by the Secretary or a Director, or by any authorised officer of the Company and need not be under its Seal.

# **WINDING UP**

## **Winding up**

177. Subject to the provisions of the Act as to preferential payments, the assets of the Company shall on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

## **Division of assets of Company in specie among members**

178. If the company shall be wound up whether voluntarily or otherwise, the liquidators, may, with the sanction of a special resolution, divide among the contributories in specie or kind, any part of the assets of the company, and may with the like sanction vest any part of the assets of the company in trustees upon such trusts for the benefit, of the contributories or any of them, as the liquidators with the like sanction shall think fit. in case any shares to be divided as aforesaid involves a liability to calls or otherwise any persons entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable act accordingly.

# **INDEMNITY AND RESPONSIBILITY**

## **Right of Directors and others to indemnity**

179. (a) Subject to the provisions of the Act, every Director of the Company, Officer (whether Managing Director, Manager, Secretary or other officer ) or employee or any person employed by the Company as Auditor shall be entitled to be protected or indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, officer, other employee or Auditor may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Officer, other employee or Auditor or in any way in the discharge of his duties.
- (b) Subject as aforesaid every Director, officer, other employee or Auditor of the Company shall be entitled to be protected or indemnified against any liability incurred by him in defending any proceedings whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged in connection with any application under Section 463 of the Act in which relief is granted to him by the court or the Tribunal.

## Secrecy Clause

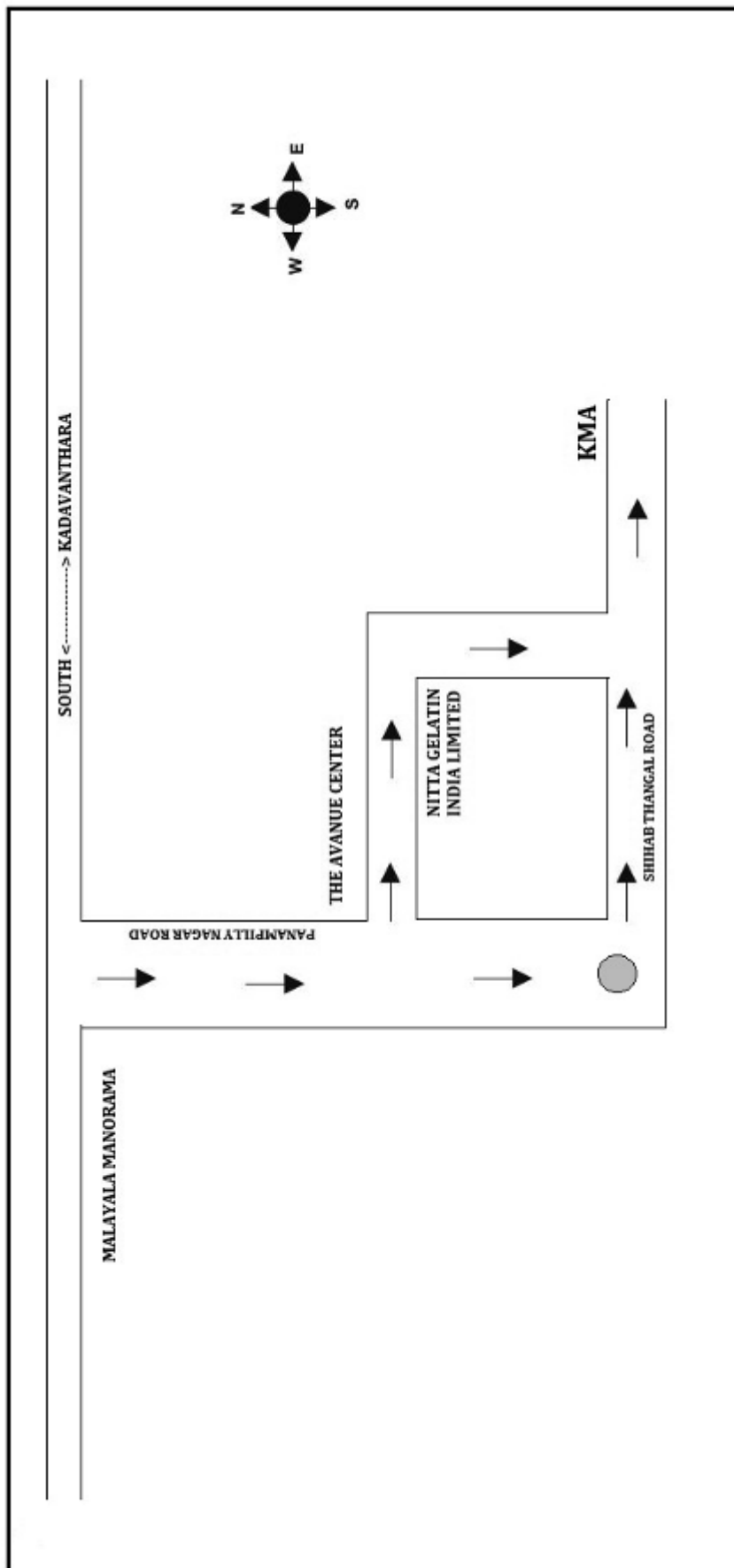
180. (1) No member shall be entitled to visit or inspect the Company's work without the permission of the Directors or Secretary, or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company, if any, which in the opinion of the Board or the Secretary it will be inexpedient in the interest of the Company to communicate to the Public.
- (2) Every Director, Manager, Secretary, Auditor, Trustee, Member of a committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Board, before entering upon his duties, or at any time during his time of Office, sign a declaration pledging himself to observe strict secrecy respecting all transaction of the Company and the state of accounts and in mailers relating thereto, and shall by such declaration pledge himself not to reveal any matters which may come to his knowledge in the discharge of duties except when required so to do by the Board of Directors or by any General Meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the Provisions contained in these Articles.

Names, addresses, descriptions, and occupations subscribers	Signature of subscriber	Signature, names, addresses, of descriptions and occupations of witnesses
<p>1. P.J. Thomas</p> <p>Son of Sri. Panampunna John John. "Tejsa", Vikramapuram Hills, Trivandrum — 3,</p> <p>Managing Director,</p> <p>Kerala State Industrial Development Corpn. Ltd. Trivandrum – I</p>	<p>Sd/-</p>	<p>Sd/-G. Raman Pillay</p> <p>Son of Sri. S. Govinda Pillay, Han Sree, Neeramonkara, Trivandrum - 18</p> <p>Asst. Manager Kerala State Industrial Development Corporation Ltd., Trivandrum - I.</p>

Names, addresses, descriptions, and occupations subscribers	Signature of subscriber	Signature, names, addresses, of descriptions and occupations of witnesses
<p>2. M.R.C. Warriar</p> <p>Son of Sri. M.R. Madhava Warriar, 120."Revathi" Jawahar Nagar, Trivandrum — 3</p> <p>Development Commissioner, Kerala State Industrial Development Corpn. Ltd., Trivandrum – I</p>	Sd/-	
<p>3. Joseph Lopez</p> <p>Son of Sri. X.G. Lopez,</p> <p>"Thejos", Opp. Nirmala Bhavan Convent High School, Kawdiar, Trivandrum — 3 Development Commissioner,</p> <p>Kerala State Industrial Development Corporation Ltd, Trivandrum-I</p>	Sd/-	
<p>4. A.S. Unny</p> <p>Son of Sri. C.K. Madhavan Namboodiri, "Sujani", Vellayambalam, Trivandrum -10 Secretary, Kerala State Industrial Development Corpn. Ltd., Trivandrum – 1</p>	Sd/-	<p>Sd/-G. Raman Pillay</p> <p>Son of Sri. S. Govinda Pillay, Han Sree, Neeramonkara, Trivandrum - 18</p>
<p>5. K.A.L. Narayanan Swamy</p> <p>Son of Sri. K.A. Doraiswamy Iyer, T.C. 10-241/I, Kananagar, Trivandrum -3 Manager. (Chemical Engineering), Kerala State Industrial Development Corp. Ltd., Trivandrum – I</p>	Sd/-	<p>Asst. Manager Kerala State Industrial Development Corporation Ltd., Trivandrum - I.</p>
<p>6. C. Krishnamoorthy</p> <p>Son of Sri. S.V. Venkateswara Iyer, "Gayathri" Udarasiromani Road Vellayambalam, Trivandrum -10 Deputy Manager (Finance), Kerala State Industrial Development Corpn. Ltd., Trivandrum – I</p>	Sd/-	
<p>7. M.A. Azeem</p> <p>Son of Sri. M. Muhammad Ismail 14/265, "Usha Bhavan", Udarasiromani Road, Vellayambalam, Trivandrum — 10 Asst. Secretary, Kerala State Industrial Development Corpn. Ltd., Trivandrum – I</p>	Sd/-	

Dated 22nd day of April 1975

(Map of the venue)





## NITTA GELATIN INDIA LIMITED

**CIN No:** L24299KL1975PLC002691

**Regd. Office:** 54/1446, SBT Avenue, Panampilly Nagar Cochin 682 036, India

**Tel:** +91 484 3099444, 2317805 **Fax:** +91 484 2310568,

**Email:** [rajeshkurup@nittagelindia.com](mailto:rajeshkurup@nittagelindia.com) **Website:** <http://www.gelatin.in>

### ATTENDANCE SLIP

MEETING OF THE EQUITY SHAREHOLDERS CONVENED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH, ON 27<sup>TH</sup> DECEMBER, 2018 AT 10.00 AM (IST) AT KERALA MANAGEMENT ASSOCIATION, SHIHAB THANGAL ROAD, PANAMPILLY NAGAR, ERNAKULAM - 682015

(To be presented at the entrance)

I/We..... hereby record my/our presence at the Meeting of the Equity Shareholders of the Company, convened pursuant to an Orders dated 12<sup>th</sup> November, 2018 of the Hon'ble National Company Law Tribunal, Chennai Bench to be held on 27<sup>th</sup> December, 2018 at 10.00 AM (IST) at Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam-682015

Folio No.....DPID No./Client ID No.:.....

No.of Shares held:.....

Name of the Member: .....

Signature:.....

Name of the Proxy holder/Authorised Representative: .....

Signature: .....

### Notes:

1. Only Member/Proxy holder/Authorised Representative can attend the Meeting.
2. Please complete Folio No./DP ID No., Client ID No., No. of shares held, the Name of the Member/Proxy holder/ Authorised Representative and sign this Attendance Slip and hand it over at the entrance of the Meeting Hall.

Member/Proxy holder/Authorised Representative should bring his/her copy of the Notice for reference at the Meeting.







## NITTA GELATIN INDIA LIMITED

CIN No: L24299KL1975PLC002691

Regd. Office: 54/1446, SBT Avenue, Panampilly Nagar Cochin 682 036, India

Tel: +91 484 3099444, 2317805 Fax: +91 484 2310568,

Email: [rajeshkurup@nittagelindia.com](mailto:rajeshkurup@nittagelindia.com) Website: <http://www.gelatin.in>

### BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH

#### COMPANY APPLICATION NO.C.A/193/CAA/2018

In the matter of Companies Act, 2013;

And

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

And

In the matter of the Scheme of Merger and Amalgamation between Reva Proteins Limited ("RPL" / "Transferor Company / Amalgamated Company") and Nitta Gelatin India Limited ("NGIL" / "Transferee Company") and their respective shareholders and creditors.

Nitta Gelatin India Limited, a Company )  
incorporated under the Companies Act, 1956, )  
and having its registered office at 54/1446,  
SBT Avenue, Panampilly Nagar Cochin 682 036 )..... Applicant Company

#### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company: Nitta Gelatin India Limited

CIN: U24295KL2009PLC024529

Regd. Office: 54/1446, SBT Avenue, Panampilly Nagar Cochin 682036

I/We, .....being the Member(s) of \_\_\_\_\_ share(s) of Nitta Gelatin India Limited, hereby appoint:

1. Name: ..... E-mail ID:.....

Address:.....

Signature:..... or failing him

2. Name:..... E-mail ID: .....

Address: .....

Signature.....or failing him

3. Name:.....E-mail ID:.....

Address:.....

Signature.....or failing him

as my/our Proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the meeting of the Equity Shareholders, convened pursuant to the direction of the Hon'ble National Company Law Tribunal, Chennai Bench to be held on 27<sup>th</sup> December, 2018 at 10.00 AM at Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam-682015 and at any adjournment thereof in respect of such resolution as is indicated below:

Resolution No.	Resolution	For	Against
1	Approval of (i) Scheme of Merger and Amalgamation of Reva Proteins Ltd with Nitta Gelatin India Ltd and their respective shareholders and creditors (ii) consequent alteration of authorised capital clause of the Memorandum of Association and Articles of Association of Nitta Gelatin India Ltd and (iii) issue of 44,44,444 Redeemable Preference Shares to the Equity Shareholders of Reva Proteins Ltd other than Nitta Gelatin India Ltd, being the Transferee Company.		

Signed this      day of      2018

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

Affix Rupee  
One Reve-  
nue Stamp

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

**Notes:**

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036, not later than 48 hours before the commencement of the Meeting
2. Those Members who have multiple folios with different joint holders may use copies of the Proxy Form.
3. A Proxy need not be a member of the Company
4. For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the Meeting of the Equity Share holders of the Company.



## NITTA GELATIN INDIA LIMITED

CIN No: L24299KL1975PLC002691

Regd. Office: 54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036,  
India

Tel: +91 484 3099444, 2317805 Fax: +91 484 2310568,

Email: rajeshkurup@nittagelatin.com Website: <http://www.gelatin.in>

### NOTICE OF MEETING OF THE PREFERENCE SHAREHOLDERS CONVENED AS PER ORDER DATED 12<sup>TH</sup> NOVEMBER, 2018 OF THE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH, CHENNAI

#### MEETING

Day	Thursday
Date	27 <sup>th</sup> December, 2018
Time	11:00 AM
Venue	Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015

#### POSTAL BALLOT

Commencing on	Tuesday, 27 <sup>th</sup> November, 2018 at 9.00 AM
Ending on	Wednesday, 26 <sup>th</sup> December, 2018 at 5.00 PM

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2	Explanatory statement under Sections 230 (3) of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013	8-19
3	<b>Annexure 1</b> Scheme of Merger and Amalgamation between Reva Proteins Limited (Transferor Company) and Nitta Gelatin India Limited (Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013	20-38
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5	<b>Annexure 3</b> Summary of workings and issue of Redeemable Preference Shares of fair value per share and fair exchange ratio for the proposed amalgamation of Reva Proteins Ltd with Nitta Gelatin India Ltd dated 28 <sup>th</sup> August, 2018 issued by SSPA & Co., Independent Chartered Accountants.	48-50
6	<b>Annexure 4</b> Fairness Opinion Certificate on the recommendation of Share Exchange Ratio by SSPA & Co. dated 3 <sup>rd</sup> February, 2018 issued by Inga Capital Limited, Independent (Category – I) SEBI Registered Merchant Banker	51-56
7	<b>Annexure 5</b> Report of the Board of Directors of Nitta Gelatin India Limited and Reva Proteins Limited explaining the effect of the Scheme on each shareholders, Key Managerial Personnel, promoters and non-promoter shareholders.	57-62

8	<b>Annexure 6</b> Copy of observation letter dated 28 <sup>th</sup> September, 2018 issued by BSE Limited	63-64
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10	<b>Annexure 8</b> Pre and post Scheme of Merger and Amalgamation shareholding pattern of Nitta Gelatin India Limited	66
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12	<b>Annexure 10</b> Applicable information of Reva Proteins Limited in the format specified for abridged prospectus in Part D of Schedule VIII of SEBI ICDR Regulations, 2009 certified by Inga Advisors Pvt. Ltd., Merchant Banker.	68-80
13	<b>Annexure 11</b> Certified True copies of unaudited financial statements of Reva Proteins Limited and Nitta Gelatin India Limited as on 30 <sup>th</sup> June, 2018.	81-97
14	<b>Annexure 12</b> Memorandum and Articles of Association of Nitta Gelatin India Limited	98-145
15	Map of the venue of the meetings	146
16	Attendance Slip	147-148
17	Proxy form	149-150
18	Ballot Form with instructions along with business reply envelop	Loose Leaf

**Form No. CAA-2**  
**(Pursuant to Section 230(3) of the Companies Act, 2013 read with Rule 6 of the Companies**  
**(Compromises, Arrangements and Amalgamations) Rules, 2016)**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**CHENNAI BENCH, CHENNAI**  
**COMPANY APPLICATION NO: C.A./193/CAA/2018**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 of the Companies Act, 2013;

And

In the matter of the Scheme of Merger and Amalgamation between Reva Proteins Limited ("RPL" / "Transferor Company / Amalgamated Company") and Nitta Gelatin India Limited ("NGIL" / "Transferee Company"/Amalgamating Company) and their respective shareholders and creditors.

Nitta Gelatin India Limited, a Company )  
incorporated under the Companies Act, 1956, )  
and having its registered office at 54/1446,  
SBT Avenue, Panampilly Nagar, Cochin 682 036 ) ..... Applicant Company

**NOTICE CONVENING THE MEETING OF THE PREFERENCE SHAREHOLDERS OF THE**  
**APPLICANT COMPANY AND POSTAL BALLOT**

To,

The Preference Shareholders of Nitta Gelatin India Limited ("the Applicant Company" or "NGIL")

Notice is hereby given that by order dated 12<sup>th</sup> November, 2018, in the above mentioned Company Application, the National Company Law Tribunal, Chennai Bench has directed that meeting of the Preference Shareholders of the Applicant Company shall be convened for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme of Merger and Amalgamation between Reva Proteins Limited and Nitta Gelatin India Limited and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 read with Sections 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.

In pursuance of the Order and as directed therein, a meeting of the Preference Shareholders of the Applicant Company will be held on Thursday, 27<sup>th</sup> December, 2018 at Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015 at 11:00 AM, at which place, day, date and time you are requested to attend to consider and, if thought fit, approve with or without modification(s), the following **SPECIAL RESOLUTION** under Sections 230 to 232 read with Sections 13, 14 and 61 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 with requisite majority:

***"RESOLVED THAT*** pursuant to the provisions of Sections 230 to 232 read with Sections 13, 14 and 61 and other applicable provisions of the Companies Act, 2013 ("Act") and the Rules, Circulars and notifications made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities and Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, and as further clarified by Circular No CFD/DIL3/CIR/2017/26 dated 23rd March, 2017, Circular No.CFD/DIL3/CIR/2017/105 dated 21st September, 2017, and Circular No.CFD/DIL3/CIR/2018/2 dated 3rd January, 2018 (hereinafter collectively referred to as 'the Circulars'), the observation letter issued by BSE Limited ("BSE") dated 28th September, 2018 and subject to the approval of the National Company Law Tribunal ("NCLT"), and such other approvals, sanctions, consents and confirmations from other

regulatory authority(ies) as may be applicable (“Appropriate Authorities”) and subject to such conditions and modifications as may be prescribed or imposed by NCLT or Appropriate Authorities while granting such approvals, sanctions, consents, and confirmations, and which may be approved by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to mean and include any of its committee(s) or any person(s) which the Board may nominate or constitute to exercise its power, including the powers conferred under this resolution), approval of the Preference Shareholders be and is hereby accorded to:

- (i) the Scheme of Merger and Amalgamation between Reva Proteins Ltd (Transferor Company) and Nitta Gelatin India Limited (Transferee Company) (“**Scheme**”) with effect from 1st April, 2017, being the Appointed Date, placed before this meeting and duly initialed by the Chairman for the purpose of identification;
- (ii) the consequent alteration of
  - (a) Authorised Share Capital Clause (Clause V (a)) in the Memorandum and Articles of Association by substituting the existing clause with the following new clause;  
“The Share Capital of the Company is Rs.80,24,44,480 (Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs.40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rs. Fifteen Crores Eighty Lakhs and Forty only)and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10 each aggregating to Rs.20,00,00,000 (Rs Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs.4,44,44,440 ( Rs. Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only) with power to increase and reduce the Capital for the time being of the Company into several classes and to attach thereto respectively preferential, qualified or special rights, privileges or conditions as such may be determined by or in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company and to vary, modify, or abrogate any such rights, privileges or conditions in such manner as may for the time being provided by the aforesaid regulations.” and
  - (b.) Article 3 of Articles of Association by substituting the existing clause with the following new clause;  
“The Share Capital of the Company is Rs.80,24,44,480 (Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs.40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rupees Fifteen Crores Eighty Lakhs and Forty only) and 2,00,00,000 Optionally Convertible Non-Cumulative Preference Shares of Rs 10/- each aggregating to Rs.20,00,00,000/- (Rupees Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs. 4,44,44,440/- ( Rupees Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only)” and
- (iii) issue of 44,44,444 Redeemable Preference Shares of face value of Rs.10 each by Nitta Gelatin India Limited to the equity shareholders of Reva Proteins Limited other than the Transferee Company, as per the terms and conditions mentioned in the Scheme”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution and for removal of any difficulties and doubts, the Board, be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper; and to settle any questions or difficulties or doubts that may arise, including passing of such accounting entries and/ or making such adjustments in the books of accounts as considered necessary to give effect to this resolution, including settling of any questions or difficulties arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith and if necessary, to waive any of those, and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect or to carry out such modifications/ directions as may be required and / or imposed and/ or permitted by NCLT while sanctioning the Scheme, or by any Appropriate Authorities.”

Persons entitled to attend and vote at the said meeting, may vote in person or by proxy or through authorized representative, provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is filed with the Applicant Company at its registered office at 54/1446, SBT

Avenue, Panampilly Nagar, Cochin 682036, India not less than 48 (forty eight) hours before the scheduled time for commencement of the aforesaid meeting.

In compliance with the provisions of (i) Section 230(4) read with Section 110 of the Companies Act, 2013; (ii) Rule 22 and other applicable provisions of the Companies (Management and Administration) Rules, 2014, the Applicant Company has provided the facility of voting by postal ballot so as to enable the shareholders to consider and approve the Scheme by way of the aforesaid resolution. The Applicant Company has provided the facility of voting by ballot at the venue of the meeting of the shareholders. Accordingly, you may cast your vote either through postal ballot or through ballot at the venue of the meeting.

The Scheme, if approved by the meeting, will be subject to the subsequent approval of NCLT. NCLT, vide the Order, has appointed Mr. Sajiv Kumar Menon, Managing Director failing him Mr. A.K Nair, Director of the Applicant Company to be the Chairman of the said meeting or of any adjournment (s) thereof.

A copy of the Scheme, the Explanatory Statement under Section 230 and Section 102 of the Act, read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamation) Rules 2016, and other enclosures as indicated in the index are enclosed. Form of proxy and Attendance slip may be obtained free of charge during business hours i.e. 10.00 AM to 5.00 PM from the registered office of the Applicant Company on all days (except Saturdays, Sundays and public holidays) and the same can also be downloaded from the website of the Applicant Company i.e. <http://www.gelatin.in>

**SAJIV K. MENON**

(DIN: 00168228)

Chairman appointed for the meeting

Date: 14/11/2018

Place: Kochi

Registered Office: 54/1446, SBT Avenue, Panampilly Nagar, Cochin- 682 036

**Notes:**

**1. A REGISTERED SHAREHOLDER OF THE APPLICANT COMPANY IS ENTITLED TO ATTEND AND VOTE AT THE MEETING. A REGISTERED SHAREHOLDER IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A SHAREHOLDER OF THE APPLICANT COMPANY. ALL ALTERATIONS MADE IN THE FORM OF PROXY SHOULD BE INITIALED. THE PROXY FORM DULY FILLED IN MUST BE FILED WITH THE APPLICANT COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE SCHEDULED TIME FOR COMMENCEMENT OF THE MEETINGS OF THE SHAREHOLDERS.**

2. As per Section 105 of the Companies Act, 2013 and rules made there under, a person can act as proxy on behalf of shareholders not exceeding 50 (fifty) in number and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Applicant Company carrying voting rights. Further a shareholder holding more than 10 (ten) percent of the total share capital of the Applicant Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. A registered shareholder of the Applicant Company being a body corporate may attend and vote (by authorised representative of a body corporate as per Section 113 of the Companies Act, 2013) at the meeting of the shareholders. The authorised representative of a body corporate which is a registered shareholder of the Applicant Company may attend and vote at the shareholders meeting provided a certified copy of the resolution of the board of directors or other governing body of the body corporate/Letter of Authority/Power of Attorney authorizing such representative to attend and vote at the shareholders meeting as required under Section 113 of the Companies Act, 2013, is filed at the registered office of the Applicant Company not less than 48 (forty eight) hours before the scheduled time for commencement of the meeting.

4. Shareholders/ proxies/ authorised representatives attending the meeting are requested to bring a copy of the notice of the meeting and produce the attendance slip, duly completed and signed, at the entrance of the meeting venue.

5. In compliance with the NCLT order, a person, whose name is not recorded in the Register of Shareholders or in the register of beneficial owners maintained by CDSL as on the cut-off date i.e. 16<sup>th</sup> November, 2018, shall not be entitled to avail the facility of postal ballot voting or voting at the venue of the meeting to be held on Thursday, 27<sup>th</sup> December, 2018. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Preference shareholders as on 16<sup>th</sup> November, 2018. Persons, who are not Preference shareholders of the Applicant Company as on the cut-off date i.e. 16<sup>th</sup> November, 2018 should treat this notice for information purposes only.

6. In compliance with the NCLT order, the Notice convening the aforesaid meeting will be published through advertisement in Business Line (all India Edition) in English language and a Malayalam translation thereof in Mangalam (Kerala Edition).

7. Preference shareholders can opt for only one mode of voting i.e. either through postal ballot form or poll at the venue by way of ballot.

8. In compliance with the NCLT order, the voting period for Postal Ballot shall commence on and from Tuesday, 27<sup>th</sup> November, 2018 at 9.00 AM IST and ends on Wednesday, 26<sup>th</sup> December, 2018 at 5.00 PM IST. You are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed with assent (FOR) or dissent (AGAINST), in the attached Business Reply Envelope, so as to reach the Scrutinizer on or before Wednesday, 26<sup>th</sup> December, 2018 at 5.00 PM IST. A Postal Ballot Form along with self-addressed postage pre-paid envelope are also enclosed.

9. Members who have received the postal ballot notice by e-mail and who wish to vote through Postal Ballot Form, can download the Postal Ballot Form from the Applicant Company's website [www.gelatin.in](http://www.gelatin.in) and send back the same to scrutinizer's mail id at [abislab2015@gmail.com](mailto:abislab2015@gmail.com).

10. In case a Member is desirous of obtaining a printed duplicate Postal Ballot Form, he or she may send an e-mail to [rajeshkurup@nittagelindia.com](mailto:rajeshkurup@nittagelindia.com). The Registrar and Share Transfer Agent shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the Member. No other Form or photocopy of the Form is permitted.



11. The documents referred in the accompanying Explanatory Statement shall be open for inspection by the shareholders at the Registered Office of the Applicant Company on all working days (except Saturdays, Sundays and public holidays) between 11.00 AM to 1.00 PM up to one day prior to the date of the meeting of the shareholders.

#### 12. Other Instructions

- The Tribunal has appointed Mr. Abhilash Nediyaalil Abraham, Practising Company Secretary (M.No.22601 and C.P No.14524) 32/1721 A, Pallisseri Kavala, N.H Bypass, Palarivattom, Kochi-25 as the Scrutinizer to scrutinize the postal ballot and voting at the meeting by way of ballot in a fair and transparent manner.
- The Scrutinizer shall immediately after the conclusion of voting at the Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through postal ballot in the presence of at least two witnesses not in the employment of the Company and make, not later than two days from the conclusion of the meeting, a consolidated scrutinizer's report on the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or the person authorized by him shall declare the result of the voting forthwith.

The Results declared, along with the scrutinizer's Report, shall be placed on the Company's website [www.gelatin.in](http://www.gelatin.in) immediately after the results have been declared by the Chairman or a person authorized by him in writing.

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
CHENNAI BENCH, CHENNAI  
COMPANY APPLICATION NO: C.A./193/CAA/2018**

In the matter of the Companies Act, 2013;  
And

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

And

In the matter of the Scheme of Arrangement and Amalgamation between Reva Proteins Limited ("RPL" / "Transferor Company / Amalgamated Company") and Nitta Gelatin India Limited ("NGIL"/ "Transferee Company") and their respective shareholders and creditors.

Nitta Gelatin India Limited, a Company )  
incorporated under the Companies Act, 1956, )  
and having its registered office at 54/1446,  
SBT Avenue, Panampilly Nagar, Cochin 682 036 ) ..... Applicant Company

**EXPLANATORY STATEMENT UNDER SECTION 230 TO SECTION 232 AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE NATIONAL COMPANY LAW TRIBUNAL CONVENED MEETING OF THE PREFERENCE SHAREHOLDERS OF THE APPLICANT COMPANY AND POSTAL BALLOT.**

1. Pursuant to Orders dated 12th November, 2018, passed by the National Company Law Tribunal, Chennai Bench, ("NCLT") in the Company Application No. C.A./193/CAA/2018 ("Order") a meeting of the Preference Shareholders of Nitta Gelatin India Limited is being convened on Thursday, 27<sup>th</sup> December, 2018 at Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam 682015 at 11:00 AM for the purpose of considering and if thought fit, approving with or without modification(s), the Scheme of Merger and Amalgamation between Reva Proteins Limited and Nitta Gelatin India Limited and their respective shareholders and creditors ("Scheme") pursuant to Sections 230 to 232 read with Sections 13, 14 and 61 and other applicable provisions of the Companies Act, 2013 ("Act").
2. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
3. The Scheme provides for (i) the merger and amalgamation of Reva Proteins Ltd with Nitta Gelatin India Limited with effect from 1st April, 2017 being the Appointed Date (ii) the consequential alteration of authorised share capital clause in the Memorandum and Articles of Association of Nitta Gelatin India Limited, in accordance with the draft Scheme of Merger and Amalgamation between Reva Proteins Ltd and Nitta Gelatin India Ltd and their respective shareholders and creditors ("**Scheme**") duly initialed by the Chairman for the purpose of identification and (iii) issue of 44,44,444 Redeemable Preference Shares by Nitta Gelatin India Limited to the equity shareholders of Reva Proteins Limited other than the Transferee Company, as per the terms and conditions mentioned in the Scheme; A copy of the Scheme, which has been, inter alia approved by the Audit Committee and the Board of Directors of the Applicant Company at their respective meetings held on 3<sup>rd</sup> February, 2018 is enclosed as **Annexure 1**.

#### 4. BACKGROUND OF THE COMPANIES

##### 4.1 Reva Proteins Limited (Transferor Company/ Amalgamated Company)

###### 4.1.1 Corporate Details of Reva Proteins Limited

Particulars	Details
Corporate Identification Number (CIN)	U24295KL2009PLC024529
Permanent Account Number	AAECR4851M
Date of Incorporation	30.07.2009
Type of Company	Unlisted Public Limited Company
Registered office address	54/1446, Panampilly Nagar Ernakulam, Kerala - 682036
Details of change of name, Registered office and objects of the company during the last five years	There has not been any change in name or Registered office in the last 5 years. The object clause have been amended in line with the Companies Act, 2013 vide AGM resolution dated 2nd August 2016
Email address	rajeshkurup@nittagelindia.com
Relationship with the parties to the Scheme	Reva Proteins Limited is the Subsidiary of Nitta Gelatin India Limited.

###### 4.1.2 Share Capital of Reva Proteins Limited

The Share capital of Reva Proteins Limited as on 30.06.2018 is as under:

Authorised Share Capital	in Rupees
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
2,00,00,000 Optionally Convertible Non-cumulative Preference Share of Rs.10 each	20,00,00,000
<b>Total</b>	<b>40,00,00,000</b>

Issued, Subscribed and Paid up	in Rupees
1,88,60,520 Equity Shares of ₹ 10 each	18,86,05,200
1,25,00,000 Optionally Convertible Non-cumulative Preference Share of Rs.10 each	12,50,00,000
<b>Total</b>	<b>31,36,05,200</b>

Thereafter, there has been no change in authorised, issued, subscribed and paid up share capital of Reva Proteins Limited.

###### 4.1.3 Business and objects of Reva Proteins Limited

(i) The Transferor Company is primarily engaged in the business of manufacturing of limes Ossein, Ossein, Di-calcium Phosphate and 8% Di-calcium Phosphate.

(ii) The main objects of Reva Proteins Limited as per Clause III A of its Memorandum of Association are inter alia as under:

“To manufacture, import, export, trade and deal, in Ossein and products and components of Ossein, Di-Calcium Phosphate and products and components of Di-Calcium Phosphate, Gelatin and products and components of Di-Calcium Phosphate, Gelatin and products and components of Gelatin, Glue and its related products and components, raw material for Ossein including Degreased Bone and Crushed Bone and related products viz, tallow, Bone Meal and other bone products, meat and meat products, other components used for the manufacture of Gelatin like Chitosan, Fish oil etc, organic manure and other derivatives and components and by products obtained during the course of manufacture of the above and run slaughter houses, independently or in Joint ventures.”

##### 4.2. Nitta Gelatin India Limited - (Applicant Company/Transferee Company /Amalgamating Company)

###### 4.2.1 Corporate Details of Nitta Gelatin India Limited

Particulars	Details
Corporate Identification Number (CIN)	L24299KL1975PLC002691
Permanent Account Number	AABCK1582H
Date of Incorporation	30.04.1975

Type of Company	Listed Public Limited company. The equity shares are listed on BSE Limited ("BSE")
Registered office address	54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036.
Details of change of name, Registered office and objects of the company during the last five years	There has not been any change in name or Registered office in the last 5 year. The object clause of the Company have been amended in line with the Companies Act, 2013 vide Postal Ballot notice dated 01-02-2016.
Email address	rajeshkurup@nittagelindia.com
Relationship with the parties to the Scheme	Nitta Gelatin India Limited is the Holding Company of Reva Proteins Limited.

#### 4.2.2 Share Capital of Nitta Gelatin India Limited

The Share capital of Nitta Gelatin India limited as on 30.06.2018 is as under:

Authorised Share Capital	in Rupees
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
9,29,412 Optionally Convertible Non-cumulative Preference Share of Rs.170 each	15,80,00,040
<b>Total</b>	<b>35,80,00,040</b>

Issued, subscribed and paid up	in Rupees
90,79,160 Equity Shares of ₹ 10 each	9,07,91,600
9,29,412 Optionally Convertible Non-cumulative Preference Share of Rs.170 each	15,80,00,040
<b>Total</b>	<b>24,87,91,640</b>

Thereafter there has been no change in authorised, issued, subscribed and paid up share capital of Nitta Gelatin India Limited.

#### 4.2.3 Business and objects of Nitta Gelatin India Limited

- i. The Transferee Company is primarily engaged in the business of Manufacturing of Ossein Gelatin, Collagen peptide, Di-calcium Phosphate, Chitosan, Nutrigold, Seedaid, Cartipep.
- ii. The main objects of Nitta Gelatin India Limited as per clause III A of its Memorandum of Association are inter alia as under:

"To manufacture, import, export, trade and deal, in Ossein and products and components of Ossein, Di-Calcium Phosphate and products and components of Di-Calcium Phosphate, Gelatin and products and components of Gelatin, Glue and its related products and components, raw material for Ossein including Degreased Bone and Crushed Bone and related products viz, tallow, Bone Meal, and other bone products, meat and meat products, other components used for the manufacture of Gelatin like Chitosan, Fish Oil etc., organic manure and other derivatives and components and by products obtained during the course of manufacture of the above and run slaughter houses, independently or in Joint ventures."

#### 5. RATIONALE OF THE SCHEME AND BENEFITS TO COMPANY, MEMBERS, CREDITORS AND OTHERS

5.1 The Scheme proposes the vesting of the undertaking of the Transferor Company into the Transferee Company, which will result in consolidation of the business carried on by the Transferor Company and Transferee Company as one single entity.

##### 5.2 Rationale for the Scheme

The Scheme shall enable the Transferee Company to reap several benefits including:

- (i) Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
- (ii) optimal utilization of resources and better working capital management;

- (iii) overall cost efficiencies;
- (iv) greater integration and operational synergy;
- (v) seamless availability of technical expertise;
- (vi) greater level of synergy in the Goods and Service Tax (GST) regime;
- (vii) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
- (viii) Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present
- (ix) Balance sheet becomes stronger;
- (x) streamlining the group structure and rationalization;
- (xi) developing stronger base for future growth

## **6. SALIENT FEATURES OF THE SCHEME**

**6.1** This Scheme of Merger and Amalgamation is presented under Section 230 to 232 of the Companies Act, 2013 for transfer of undertaking of Reva Proteins Limited (**RPL or Transferor Company**) with its Holding Company, Nitta Gelatin India Limited (**NGIL or Transferee Company**).

**6.2** The Transferor Company is having severe liquidity issues in servicing its debts especially towards the trade creditors and the advance payments from the promoters are going up in view of the continued loss making situation and it may take some time for the Transferor Company to tide over the situation to meet its payment commitments in the course of business. Further, it may require to provide for impairment losses in the Transferee Company's books for its investments into the Transferor Company following significant erosion in net worth owing to past accumulated losses. Consequent to the prevailing adverse financial conditions, banks show some reluctance to extend credit facilities to the Transferor Company on a standalone basis.

**6.3** The Scheme proposes the vesting of the undertaking of the Transferor Company into the Transferee Company, which will result in consolidation of the business carried on by the Transferor Company and Transferee Company as one single entity.

**6.4** Since the Transferor Company is a Subsidiary of the Transferee Company, upon this Scheme becoming effective, the equity shares and Optionally Convertible Non-Cumulative Preference Shares (OCPS) held by the Transferee Company (directly and/or through its nominees), in the Transferor Company will stand cancelled and as a consideration for the merger, the Transferee Company to issue redeemable preference shares to equity shareholders other than NGIL.

**6.5** Appointed Date:

**"Appointed Date"** means 1<sup>st</sup> April, 2017 or such other date as may be recommended by the Boards of Directors and approved by the members of the Transferor Company and the Transferee Company or as modified by the Tribunal;

**6.6** Effective Date:

**"Effective Date"** means the date on which the certified or authenticated copies of the order(s) sanctioning the Scheme, passed by the Tribunal is filed with the Registrar of Companies. Any references in this Scheme to the "date of coming into effect of this Scheme" or "effectiveness of the Scheme" or "Scheme taking effect" shall mean the Effective Date;

**6.7 Share Exchange Ratio**

In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of this scheme, the Transferee Company shall subject to the provisions of Clause 20, 21 and 22 in the Annexure 1 Scheme, without any further application, act, instrument or deed issue and allot to Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the Register of Members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10 each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up.

## **6.8 Accounting Treatment**

- a) Upon the Scheme becoming effective, the Transferee Company shall account for the merger in its books of accounts as under:
- (i) The accounting shall be in accordance with "Pooling of Interest Method" laid down by Appendix C of Indian Accounting Standard 103 (IND AS 103): (Business combinations of entities under common control), notified under the Companies Act, 2013.
  - (ii) Accordingly, on and from the Appointed Date and subject to the provisions hereof, including clause all assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
  - (iii) In case of any difference in accounting policy between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statement reflects the financial position on the basis of consistent accounting policy.
  - (iv) All costs and expenses incurred as per Clause 29 in the Scheme below as well as other costs incidental with the finalization of this Scheme and for operationalizing the Scheme and any other expenses or charges attributable to the implementation of the above Scheme including stamp duty payable, if any, on the basis of value of immovable properties of the Transferor Company transferred to the Transferee Company shall be debited to the profit & loss account of the Transferee Company. The costs to issue debt or equity securities shall be recognized in accordance with IND AS 32 and IND AS 109.
  - (v) To the extent that there are inter-company loans, advances, deposits, balances or other obligations as between 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 accounts and records of the Transferee Company for the reduction of any assets or liabilities as the case maybe 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.
  - (vi) Consideration if any to be issued to the other equity shareholders of the Transferee Company would be recorded at their nominal value in the books of the Transferor Company.
  - (vii) The difference, if any, between the investments held by the Transferee Company and all assets, liabilities and reserves of the Transferor Company, along with the consideration if any to be paid to the other shareholders of the Transferor Company will be transferred to "other equity" portion under the head Equity of the Transferor Company.
  - (viii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

## **6.9 Conduct of Business**

Upon the coming into effect of the Scheme, with effect from the Appointed Date and up to and including the Effective Date:

- (a) 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 all its estates, assets, rights, title, interest, authorities, contracts and investments for, and on account of, and in trust for, the Transferee Company;
- (b) All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), 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 (including taxes), as the case maybe, of the Transferee Company;

- (c) 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, including compliances such as tax deducted at source / tax collected at source under income-tax laws, compliances under sales tax, service tax, excise and other applicable laws 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 for the Transferee Company; and
- (d) all taxes (including, without limitation , income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

#### **6.10 Dissolution of Transferor Company**

- (a) Upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding-up, without any further act or deed.
- (b) On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

#### **6.11 Alteration of authorised capital of the Transferee Company and increase of issued, subscribed and paid up share capital of the Transferee Company**

- (i) Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with authorized share capital of the Transferee Company giving a scope for enhancement of the authorized share capital of the Transferee Company even though the scheme does not envisage the issue of equity shares to the members of the Transferor Company by way of share exchange.
- (ii) For enabling the Transferee Company to issue Redeemable Preference Shares to the other existing equity shareholder of the Transferor Company as a consideration for the merger, the Transferee Company shall enhance the authorized preference share capital by way of issuing 44,44,444 Redeemable Preference Shares of Rs 10 each for allotment to the other existing equity shareholder of the Transferor Company.
- (iii) Accordingly, Clause V(a) 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 Sections 12, 61 and 64 and other applicable provisions of the Companies Act, 2013 and the rules framed there under. A copy of the draft revised MOA and AOA enclosed as **Annexure 12.**

#### **6.12 Conditions**

The Scheme is conditional upon and subject to:

- (i) The Scheme being approved by the requisite majorities of the various classes of members (where applicable) of the Transferor Company and the Transferee Company as required under the Act, or dispensation having been received from the Tribunal in relation to obtaining such approval from the members, and the requisite orders of the Tribunal being obtained in this regard and with the support of the simple majority of the public shareholders of the Transferee Company, being a listed entity;
- (ii) The Scheme being approved by majority of the public shareholders through postal ballot and e-voting as per the requirements in terms of Part I (A)(9)(a) and (b) of Annexure I of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.
- (iii) the Tribunal having accorded its sanction to the Scheme;

- (iv) the receipt of pre-filing and post sanction approvals of the Stock Exchanges and SEBI in terms of the SEBI Scheme Circulars, as applicable; and
- (v) the authenticated or certified copies of the order of the Tribunal approving the Scheme being filed with the Registrar of Companies, Kerala
- (vi) On the approval of the Scheme by the shareholders of the Transferor Company and the Transferee Company, in accordance with Section 230(1) of the Act, the shareholders of the Transferor Company and Transferee Company, respectively, shall be deemed to have also resolved and accorded all relevant consents under the Act to the extent the same may be considered applicable in relation to the arrangement set out in this Scheme and related matters.
- (vii) In the event of this Scheme failing to take effect by 31<sup>st</sup> March, 2019 or such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to, or, be incurred inter-se between the parties or their shareholders or creditors or employees or any other person. In such case, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses or as may be otherwise mutually agreed.

### 7. Approvals and supporting documents

The Scheme, was placed before the Audit Committee of NGIL at its meeting held on 3<sup>rd</sup> February, 2018. The Audit Committee of NGIL took into account the Valuation Report dated 3<sup>rd</sup> February 2018, issued by SSPA & Co., Chartered Accountants (the "Valuation Report") and the fairness opinion, dated 3<sup>rd</sup> February 2018, provided by INGA Capital Limited, Independent (Category-I) SEBI registered Merchant Banker ("Fairness Opinion") appointed for this purpose by NGIL and the Auditors' Certificate dated 13<sup>th</sup> April, 2018 submitted by Walker Chandiok & Co. LLP, Statutory Auditors certifying that the accounting treatment contained in the Scheme is in compliance with applicable Accounting Standards ("Auditors Certificate"). A copy of the Valuation Report is enclosed as **Annexure 2**. The Valuation Report is also open for inspection. A copy of the Fairness Opinion is enclosed as **Annexure 4**. The Audit Committee of NGIL based on the aforesaid, inter alia, recommended the Scheme to the Board of Directors of NGIL for its favourable consideration.

The Board of Directors of NGIL at their meeting dated 3<sup>rd</sup> February, 2018 took into account the Valuation Report dated 3<sup>rd</sup> February 2018 issued by SSPA & Co., Chartered Accountants, Fairness Opinion, dated 3<sup>rd</sup> February 2018, issued by INGA Capital Limited, Independent (Category-I) SEBI registered Merchant Banker, Auditors Certificate dated 13<sup>th</sup> April, 2018 submitted by Walker Chandiok & Co. LLP, Statutory Auditors certifying that the accounting treatment contained in the Scheme is in compliance with applicable Accounting Standards and the recommendation of the audit committee of NGIL. Based on these documents and after considering the Scheme, the Board of Directors of NGIL had, at its meeting held on 3<sup>rd</sup> February, 2018, unanimously approved the Scheme.

The details of the Directors of NGIL who voted in favour/ against/ did not participate on resolution passed at the meeting of the board of directors of NGIL are given below:

Sr. No	Name of Director	Voted in favour/ against/ did not participate
1	Mr. T.K Jose, IAS	Leave of Absence
2	Dr. M. Beena IAS	Voted in Favour
3	Mr. Koichi Ogata	Voted in Favour
4	Mr. A. K. Nair	Voted in Favour
5	Mr. K. L. Kumar	Voted in Favour
6	Mrs. Radha Unni	Voted in Favour
7	Dr. Naotoshi Umeno	Voted in Favour
8	Dr. K. Cherian Varghese	Voted in Favour
9	Dr. Shinya Takahashi	Voted in Favour
10	Mr. Sajiv K Menon	Voted in Favour

The details of the Directors of RPL who voted in favour/ against/ did not participate on resolution passed at the meeting of the board of directors of RPL are given below:



Sr. No	Name of Director	Voted in favour/ against/ did not participate
1	Mr. K. L. Kumar	Voted in Favour
2	Mr. Vijayan Menon	Voted in Favour
3	Mr. M.T Binil Kumar	Voted in Favour
4	Mr. B Shaji Mohan	Voted in Favour
5	Mr. P Sahasranaman	Voted in Favour
6	Dr. Shinya Takahashi	Voted in Favour
7	Mr. Sajiv K Menon	Voted in Favour
8	Mr. M.A Xavier	Voted in Favour

In compliance with provisions of Section 232(2)(c) of the Act, the Board of Directors of NGIL and RPL have adopted a report inter alia explaining the effect of the Scheme on each class of shareholders, promoters and non promoter shareholders and Key Managerial Personnel (as defined under Companies Act, 2013 and Rules framed thereunder) amongst others. Copy of the report by the Board of Directors of NGIL and RPL are annexed at **Annexure 5**.

Summary of valuation report including basis of valuation is enclosed as **Annexure 2** hereto.

BSE by their observation letter dated 28<sup>th</sup> September, 2018 conveyed their no objection to the Scheme in terms of Regulation 94 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Copy of the observation letter, dated 28<sup>th</sup> September, 2018, received from BSE, respectively is enclosed as **Annexure 6**.

As required by the SEBI Circular, NGIL has filed the complaints report with BSE on 27<sup>th</sup> September, 2018. This report indicates that NGIL received nil complaints. Copy of the complaints report submitted by NGIL to BSE, dated 27<sup>th</sup> September, 2018 is enclosed as **Annexure 7**. Further as on date of filing Company Scheme Application, the Applicant Company had not received any complaints.

NGIL and RPL or any of them would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, if so required.

#### **8. Capital Structure Pre and Post Arrangement**

The pre and post Scheme equity shareholding pattern of NGIL shall remain unchanged. The pre and post Scheme equity shareholding pattern of NGIL as on 31st March, 2018 is enclosed as **Annexure 8** to this Notice.

The post Scheme preference shareholding pattern of NGIL shall changed on issue of Redeemable Preference Shares as envisaged under the Scheme. The pre and post Scheme preference shareholding pattern of NGIL as on 31st March, 2018 is enclosed as **Annexure 8** to this Notice.

Post Scheme, RPL merged with NGIL and there will not be any shareholding pattern. The pre Scheme shareholding pattern of RPL as on 31st March, 2018 is enclosed as **Annexure 9** to this Notice.

#### **10. Details of the Directors, Key Managerial personnel and promoters and their shareholding**

The details of the Directors, Key Managerial Personnel and promoters as on 30<sup>th</sup> June, 2018 are as follows:

##### **NGIL**

Name of Director / KMP	Designation/ Date of Appointment/ Age	Address
Ellangovan Kannan Kamala	Nominee Director	C-1, Upper Millennium Apartment, Jagathy, Thycaud P.O, Trivandrum 695014
Beena Mahadevan	Nominee Director	Devi Kripa Madathuvilakom Peroorkada, Thiruvananthapuram 695005
Koichi Ogata	Casual Vacancy Director	1-29-30 Masago, Ibaraki City Osaka 5670851
Karunakaran Appukkuttan Nair	Director	Devika M 10/15 Changampuzha Nagar PO, Kalamassery Ernakulam 682033
Kumarapanicker Lalitha Kumar	Director	27/946, HariPriya, Plot G 388, Panampilly Nagar, Ernakulam, Kerala - 682036

Radha Unni	Director	No-21/6, River View, 4th Main Road Gandhi Nagar, Chennai 600020
Dr. Naotoshi Umeno	Director	6-1-96, Aoyama Shijimi-cho, Miki-city Hyogo NA, Japan
Kaduthanathu Cherian Varghese	Director	Kaduthanam Kayalmana, 43A Mukkottil Temple Road, Petta, Poonithura, Kochi 682038
Shinya Takahashi	Whole time Director	54/1446, SBT Avenue Near BSNL Telephone Exchange, Panampilly Nagar Ernakulam 682036
Sajiv Kumar Menon	Managing Director	13 D, Silver Streak , Vidya Nagar Cross Road , Near Passport Office , Panampilly Nagar, Ernakulam 682020
Gopalakrishan Rajeshkurup	Company Secretary	Pallavi, Pattanakkad, Cherthala 688531
Parameswaran Sahasranaman	CFO(KMP)	35/1792, Santhi Nivas, LIC Colony South Janatha Road, Palarivattom P.O Kochi 682025

Name of Promoters	Address
Nitta Gelatin Inc.	Tokyo Branch, 08-12,2-Chome, Nihonbashi – Honchou, Chuou - Ku, Tokyo 103-0023, Japan
Kerala State Industrial Development Corporation	T.C. Xi/266, Keston Road, Kowdiar, Thiruvananthapuram – 695 003

#### RPL

Name of Director / KMP	Designation/ Date of Appointment/ Age	Address
Kumara Panicker Lalitha Kumar	Director	27/946, Haripriya, Plot G 388 Panampilly Nagar Ernakulam 682036
Vijayan Menon	Director	48/775, Mukkoottil Temple Road Poonithura P.O Ernakulam 682038
Mattappillil Thankappan Binilkumar	Nominee Director	B1, Kailas Apartments, Palathinkal Lane, North Fort Gate Tripunithura Ernakulam 682301
Bhargaviamma Shajimohan	Director	Varikkattu House, Amrutha Lane Near Gov Girls Lp School, Perumbavoor P. O. Ernakulam 683542
Parameswaran Sahasranaman	Director	35/1792, Santhi Nivas, LIC Colony South Janatha Road, Palarivattom P.O Kochi 682025
Shinya Takahashi	Director	54/1446, SBT Avenue Near BSNL Telephone Exchange, Panampilly Nagar Ernakulam 682036
Sajiv Kumar Menon	Director	13 D, Silver Streak , Vidya Nagar Cross Road , Near Passport Office , Panampilly Nagar Ernakulam 682020
Mattathil Antony Xavier	Managing Director	33/3245 F Cc 41 2471, Mattathil Veedu Vennala High School, Vennala Ernakulam 682028
Gopalakrishan Rajeshkurup	Company Secretary	Pallavi, Pattanakkad, Cherthala -688531
Tejalkumar Rameshchandra Mehta	CFO(KMP)	Rajmoti Appt-1 Flat No-D-303 Valsad 396195, Gujarat

Name of Promoters	Address
Nitta Gelatin India Limited	54/1446, SBT Avenue, Panampilly Nagar Cochin 682 036
Nitta Gelatin Inc.	Tokyo Branch, 08-12,2-Chome, Nihonbashi – Honchou, Chuou - Ku, Tokyo 103-0023, Japan

Details of the Shareholding of Directors and Key Managerial Personnel of the NGIL and RPL either individually or jointly as a first holder or as nominee, in the NGIL and RPL as on 30.06.2018 are as under;

#### NGIL

Name of Director / KMP of the NGIL	No. of Equity shares held in	
	NGIL	RPL
Dr. K Ellangovan IAS	Nil	Nil
Dr. Beena Mahadevan	Nil	Nil
Koichi Ogata	Nil	Nil
Karunakaran Nair Appukuttan	66	Nil
Kumara Panicker Lalitha Kumar	Nil	Nil
Radha Unni	Nil	Nil
Dr. Naotoshi Umeno	Nil	Nil
Dr. Cherian Varghese	Nil	Nil
Sajiv Kumar Menon	Nil	Nil
Dr. Shinya Takahashi	Nil	1
Gopalakrishnan Rajesh Kurup	Nil	1
Sahasranaman Parameswaran	2424	1

#### RPL

Name of Director / KMP of the RPL	No. of Equity shares held in	
	NGIL	RPL
Kumara Panicker Lalitha Kumar	Nil	1
Vijayan Menon	Nil	Nil
Mattappillil Thankappan Binilkumar	Nil	Nil
Bhargaviamma Shajimohan	Nil	1
Parameswaran Sahasranaman	2424	1
Shinya Takahashi	Nil	Nil
Sajiv Kumar Menon	Nil	1
Mattathil Antony Xavier	Nil	1
Noriyuki Tsuji	Nil	Nil
Gopalakrishnan Rajeshkurup	Nil	1
Harikumar Arvindbhai Patel	Nil	Nil
Tejalkumar Rameshchandra Mehta	Nil	Nil

### 11. General

Under the Scheme there is no arrangement with the creditors of NGIL. The liability of the creditors of NGIL, under the Scheme, is neither being reduced nor being extinguished. The creditors of NGIL would not be prejudicially affected by the Scheme.

As on date, NGIL has no outstanding towards any public deposits or debentures and therefore, the effect of the Scheme on any such public deposit holders or debenture holders or deposit trustees or debenture trustees does not arise.

There is no effect of the Scheme on the Key Managerial Personnel, Directors, creditors and employees of NGIL. Since as a consideration for merger, Redeemable Preference Shares are issued to other equity

shareholders other than Nitta Gelatin India Limited in the Transferor Company. Other than this there is no effect of the scheme on promoters, non-promoters members.

Further, none of the Directors, Key Managerial Personnel of NGIL have any interest in the Scheme except to the extent that the said Director(s) and Key Managerial Personnel are the directors or Key Managerial Personnel's of NGIL.

No investigation proceedings have been instituted or are pending in relation to NGIL under Sections 210 to 229 of Chapter XIV of the Act.

To the knowledge of NGIL, no winding up proceedings have been filed or are pending against the NGIL and RPL under the Act or the corresponding provisions of the Companies Act, 1956.

The Scheme does not involve any debt restructuring and therefore, the requirement to disclose debt restructuring is not applicable. The scheme involves capital restructuring by way of issue of new class of shares i.e., Redeemable Preference Shares (RPS) in the Transferee Company.

The copy of the Scheme has been filed by the Applicant Company with the Registrar of Companies, Kerala. The applicable information of RPL in the format specified for abridged prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 is enclosed as **Annexure 10**.

As per the books of accounts as on 30.06.2018 of NGIL and RPL respectively, the amount due to the unsecured creditors are Rs.24,12,96,863.30 and Rs.17,09,62,759.84 respectively. As per the books of accounts as on 30.06.2018 of NGIL and RPL respectively, the amount due to the secured creditors are Rs.41,42,54,578 and Rs.16,47,54,467 respectively.

The certificates issued by the Auditors of NGIL to the effect that the accounting treatment, proposed in the Scheme is in conformity with the Accounting standard prescribed under Section 133 of the Companies Act, 2013. The Auditor's Certificates stated above is available for inspection at the registered office of the company.

The Certified True copies of unaudited financial statements of NGIL and RPL as on 30<sup>th</sup> June, 2018 are enclosed as **Annexure 11**.

Notice under Section 230(5) of the Companies Act, 2013 is being given to Central Government through the office of Regional Director, Ministry of Company Affairs, Southern Region, Chennai, the Registrar of Companies, Kerala and concerned Income Tax Department within whose jurisdiction the Applicant Company's assessments are made which the Applicant Company undertakes to issue and FSSAI Department.

BSE and SEBI vide their letters dated 28th September, 2018 has stated that NGIL is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to BSE / SEBI again for its comments/ observations/ representations.

On the Scheme being approved by the requisite majority of the Secured Creditors of the respective companies involved in the Scheme, as per the requirement of Section 230 of the Act and SEBI Circular all the companies will file a petition with NCLT, Chennai Bench for sanction of the Scheme.

In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

## **12. Inspection of Documents:**

The following documents will be open for inspection by the Preference Shareholders of the Applicant Company at its registered office at 54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036 i.e. between 11.00 am to 1.00 pm on all working days (except Saturdays, Sundays and public holidays) up to one day prior to the date of the meeting:

- (i) Certified copy of the order dated 12<sup>th</sup> November, 2018 passed by the National Company Law Tribunal, Chennai Bench in Company Scheme Application No. C.A/193/CAA/2018 to convene the meeting of Preference Shareholders.
- (ii) Notice of meeting of the Preference Shareholders convened as per directions of the National Company Law Tribunal under the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013
- (iii) Explanatory statement under Sections 230 to 232 of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013
- (iv) Scheme of Merger and Amalgamation between Reva Proteins Limited (Transferor Company) and Nitta Gelatin India Limited (Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013
- (v) Valuation Report dated 3rd February, 2018 issued by SSPA & Co., Independent Chartered Accountants.

- (vi) Summary of workings and issue of Redeemable Preference Shares of fair value per share and fair exchange ratio for the proposed amalgamation of Reva Proteins Ltd with Nitta Gelatin India Ltd dated 28th August, 2018 issued by SSPA & Co., Independent Chartered Accountants.
- (vii) Fairness opinion Certificate on the recommendation of Share Exchange Ratio by SSPA & Co. dated 3<sup>rd</sup> February, 2018 issued by Inga Capital Limited, Independent (Category – I) SEBI registered Merchant Banker
- (viii) Board of Directors Report dated 3<sup>rd</sup> February, 2018 of Nitta Gelatin India Limited
- (ix) Copy of observation letter dated 28th September, 2018 issued by BSE Limited
- (x) Report on Complaints dated 27th September, 2018 submitted to BSE Limited
- (xi) Pre and post Scheme of Merger and Amalgamation shareholding pattern of Nitta Gelatin India Limited
- (xii) Pre Scheme of Merger and Amalgamation shareholding pattern of Reva Proteins Limited
- (xiii) Applicable information of Reva Proteins Limited in the format specified for abridged prospectus in Part D of Schedule VIII of SEBI ICDR Regulations, 2009
- (xiv) Certified True copies of unaudited financial statements of Reva Proteins Limited and Nitta Gelatin India Limited as on 30th September, 2018
- (xv) Memorandum of Association and Articles of Association of NGIL and RPL.
- (xvi) Annual report of NGIL for the last three financial years ended 31st March 2018, 31st March 2017 and 31st March 2016, and unaudited financial statements of NGIL as on 30.06.2018; Additionally, the documents are also available on the website of NGIL.
- (xvii) Annual report of RPL for the last three financial years ended 31st March 2018, 31st March 2017 and 31st March 2016 and unaudited financial statements of RPL as on 30.06.2018.
- (xviii) Auditor's Certificate dated 13<sup>th</sup> April, 2018 issued by the statutory auditors of NGIL, Walker Chandiook & Co. LLP, Independent Chartered Accountants, with respect to the accounting treatment disclosed in the Scheme is in compliance with the applicable accounting standards.
- (xix) Memorandum and Article of Association of Nitta Gelatin India Limited

The Preference Shareholders shall be entitled to obtain the extracts from or for making or obtaining the copies of the documents listed in items numbers i, iv, xvi, xvii, xviii and xix above.

This statement may be treated as an Explanatory Statement under Sections 230 to 232 read with Section 102 and 110 of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. A copy of the Scheme, Explanatory statement, Form of proxy and attendance slip may be obtained free of charge during business hours i.e. 10.00 am to 5.00 pm from the registered office of the Applicant Company on all days (except Saturdays, Sundays and public holidays) and the same can also be downloaded from the website of the Applicant Company i.e. [www.gelatin.in](http://www.gelatin.in)

After the Scheme is approved, by the Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the Company, it will be subject to the approval/sanction by NCLT.

**SAJIV K. MENON**  
(DIN: 00168228)

Chairman appointed for the meeting

Date: 14/11/2018

Place: Kochi

Registered Office: 54/1446, SBT Avenue, Panampilly Nagar, Cochin- 682 036

**SCHEME OF MERGER AND AMALGAMATION**

**BETWEEN**

**REVA PROTEINS LIMITED ... TRANSFEROR COMPANY**

**AND**

**NITTA GELATIN INDIA LIMITED ... TRANSFEREE COMPANY**

## 1. Preamble

- A. This Scheme of merger is presented under Section 230 to 232 of the Companies Act, 2013 for transfer of undertaking (as defined hereunder) of Reva Proteins Limited (**RPL or Transferor Company**) into Nitta Gelatin India Limited (**NGIL or Transferee Company**).
- B. The Transferor Company is a public limited Company originally incorporated under the Companies Act, 1956 in the state of Kerala on 30.07.2009 with Registration No. 024529 and continuing its existence under the Act (defined herein after) bearing CIN No: U24295KL2009PLC024529 having its registered office at 50 / 1002 Panampilly Nagar Ernakulam, Kerala - 682036 and is a Subsidiary of Transferee Company with 74.6% equity stake and the balance held by Nitta Gelatin Inc. Japan (**NGI, Japan**). The Transferee Company is also holding 100% Preference Stake in Transferor Company. The shares of the Transferor Company is not listed any stock exchanges. The Transferor Company is primarily engaged in the business of manufacturing of limes Ossein, Ossein, Di-calcium Phosphate and 8% Di-calcium Phosphate.
- C. The Transferee Company is a public limited Company originally incorporated under the Companies Act, 1956 in the State of Kerala with the name Kerala Chemicals and Proteins Limited (KCPL) on 30.04.1975 with Registration No. 002691 and during the year 2008 ,the name had been changed to Nitta Gelatin India Limited and continuing its existence under the said name under the Act bearing CIN No:L24299KL1975PLC002691, having its registered office at 50 / 1002 Panampilly Nagar Ernakulam, Kerala - 682036 (the "**Transferee Company**"). The Transferee Company is a successful industrial joint venture between Nitta Gelatin Inc., (NGI) Japan (43% Equity Stake) and Kerala State Industrial Development Corporation Limited (KSIDCL) (31.5% Equity Stake) while balance shareholding is distributed amongst public. The Company is presently engaged in Manufacturing of Ossein Gelatin, Collagen peptide, Di-calcium Phosphate, Chitosan, Nutrigold, Seedaaid, Cartipep. The equity shares of the Transferee Company are listed on the BSE Limited ("**BSE**") Mumbai.
- D. The Transferor Company is having severe liquidity issues in servicing its debts especially towards the trade creditors and the advance payments from the promoters are going up in view of the continued loss making situation and it may take some time for the Transferor Company to tide over the situation to meet its payment commitments in the course of business. Further, it may require to provide for impairment losses in the Transferee Company's books for its investments into the Transferor Company following significant erosion in net worth owing to past accumulated losses. Consequent to the prevailing adverse financial conditions, banks show some reluctance to extend credit facilities to the Transferor Company on a standalone basis.
- E. The Scheme proposes the vesting of the undertaking of the Transferor Company into the Transferee Company, which will result in consolidation of the business carried on by the Transferor Company and Transferee Company as one single entity.
- F. Rationale for the Scheme
- The Scheme shall enable the Transferee Company to reap several benefits including:
- (i) Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
  - (ii) optimal utilization of resources and better working capital management;
  - (iii) overall cost efficiencies;
  - (iv) greater integration and operational synergy;
  - (v) seamless availability of technical expertise;
  - (vi) greater level of synergy in the Goods and Service Tax (GST) regime;
  - (vii) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
  - (viii) Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present
  - (ix) Balance sheet becomes stronger;

- (x) streamlining the group structure and rationalization;
  - (xi) developing stronger base for future growth
- G. Accordingly, it is proposed that the Transferor Company be merged with the Transferee Company, followed by the dissolution without winding up of the Transferor Company and the consequent cancellation of equity shares as well as Optionally Convertible Non-Cumulative Preference Shares (OCPS) held by the Transferee Company in the Transferor Company, pursuant to Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Act, in the manner provided for in the Scheme.
- H. Since the Transferor Company is a Subsidiary of the Transferee Company, upon this Scheme becoming effective, the equity shares and Optionally Convertible Non-Cumulative Preference Shares (OCPS) held by the Transferee Company (directly and/or through its nominees), in the Transferor Company will stand cancelled and as a consideration for the merger, the Transferee Company to issue redeemable preference shares to equity shareholders other than NGIL in the following manner stated hereinafter.
- I. The merger of the Transferor Company with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date (*as defined hereinafter*).
- J. The merger of the Transferor Company with the Transferee Company in accordance with this Scheme will be in compliance with the provisions of Section 2(1B) of the Income Tax Act, 1961, such that:
- a. all the properties of the Transferor Company, immediately before the merger, shall become the property of the Transferee Company, by virtue of the merger; and
  - b. all the liabilities of the Transferor Company, immediately before the merger, shall become the liabilities of the Transferee Company, by virtue of the merger.
- K. This Scheme is divided into the following parts:
- (i) Part I**, which deals with the definitions and share capital of the Transferor Company and the Transferee Company;
  - (ii) Part II**, which deals with the merger of the Transferor Company with the Transferee Company;
  - (iii) Part III**, deals with alteration of authorized share capital of the Transferee Company and increase of issued, subscribed and paid up share capital of the Transferee Company and the issue of new Preference Shares by the Transferee Company to the equity Shareholders other than NGIL of the Transferor Company
- AND**
- (iv) Part IV**, which deals with the dissolution without winding up of the Transferor Company, accounting treatment and general terms and conditions applicable to this Scheme.

## PART I

### 2. **Definitions and Interpretation**

- 2.1 In the Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:
- 2.1.1 **“Act”** means the Companies Act, 2013 (to the extent of the sections thereof that have been brought into force) and shall include any statutory modification, re-enactment or amendments thereto from time to time;
- 2.1.2 **“Appointed Date”** means 1<sup>st</sup> April, 2017 or such other date as may be recommended by the Boards of Directors and approved by the members of the Transferor Company and the Transferee Company or as modified by the Tribunal;
- 2.1.3 **“Board of Directors”** or **“Board”** in relation to each of the Transferor Company and the Transferee Company, as the case may be, means the Board of Directors of such Company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the merger, the Scheme and/or any other matter relating thereto;
- 2.1.4 **“Effective Date”** means the date on which the certified or authenticated copies of the order(s) sanctioning the Scheme, passed by the Tribunal is filed with the Registrar of Companies. Any



references in this Scheme to the “date of coming into effect of this Scheme” or “effectiveness of the Scheme” or “Scheme taking effect” shall mean the Effective Date;

- 2.1.5 “**Employees**” mean the employees, if any, of the Transferor Company, as on the Effective Date which includes all permanent workmen, subordinate staff, clerical and non clerical and managerial staff;
- 2.1.6 “**Encumbrance**” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term “Encumbered” shall be construed accordingly;
- 2.1.7 “**Record Date**” means the date fixed by the Board of Directors of the Transferee Company or any committee thereof in consultation with the Transferor Company, for the purpose of determining names of the equity shareholders, who shall be entitled to receive the Redeemable Preference Shares in the Transferee Company pursuant to Clause 23 of the Scheme, upon coming into effect of this Scheme
- 2.1.8 “**Funds**” shall have the meaning assigned to it in Clause 10(c) hereof;
- 2.1.9 “**Governmental Authority**” means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission including a stock exchange or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body;
- 2.1.10 “**Liabilities**” shall have the meaning assigned to it in Clause 8(a) hereof;
- 2.1.11 “**Registrar of Companies**” means the Registrar of Companies, Kerala;
- 2.1.12 “**Scheme**” means this scheme of merger and amalgamation, as amended or modified in accordance with the provisions hereof;
- 2.1.13 “**SEBI**” means the Securities Exchange Board of India;
- 2.1.14 “**SEBI Scheme Circulars**” means SEBI Circular No.CFD/DIL3/CIR/2017/21 dated 10th March, 2017, as further clarified by the Circular No.CFD/DIL3/CIR/2017/26 dated 23rd March, 2017, Circular No. CFD/DIL3/CIR/2017/105 dated 21st September, 2017, and Circular No. CFD/DIL3/CIR/2018/2 dated 3rd January, 2018 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.
- 2.1.15 “**Stock Exchanges**” means the BSE Limited, Mumbai, where the shares of the Transferee Company are listed.
- 2.1.16 “**Transferee Company**” means Nitta Gelatin India Limited (NGIL);
- 2.1.17 “**Transferor Company**” means Reva Proteins Limited (RPL);
- 2.1.18 “**Tribunal**” or “**NCLT**” means Chennai Bench of the National Company Law Tribunal constituted under section 408 of the Companies Act 2013; and
- 2.1.19 “**Undertaking**” shall mean the entire business and the whole of the undertakings of the Transferor Company as a going concern, all its assets, rights, licenses and powers, and all its debts, outstanding, liabilities, duties and obligations as on the Appointed Date including, but not in any way limited to, the following:
- a. All the assets and properties (whether movable or immovable, agricultural and non-agricultural land, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without being limited to, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, office equipment, appliances, vehicles, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, 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 including sales tax deferrals, title, interests, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever 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 agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company's business activities and operations and which are not specifically mentioned herein.
  - c. Entitlements, including leasehold rights, held by the Transferor Company or which may accrue or become due to it as on the Appointed Date or may become so due or entitled to thereafter.
  - d. All intellectual property rights, designs developed, records, files, papers, computer programmes, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company's business activities and operations.
  - e. Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.
  - f. Right to any claim, whether preferred or made by the Transferor Company or not, in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, availability of Minimum Alternate Tax credit, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, deferment of sales tax, any benefits under Package Scheme of Incentives under respective state laws as applicable, and the Cenvat / Modvat credit balances under the Central Excise Act, 1944, or any other or like benefits under the said acts or under and in accordance with any law or act or any law or act which may be enacted in future including but not limited to Goods and Service Tax coming under the Goods and Services Tax Act, 2017.
  - g. All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised.
  - h. All other obligations of whatsoever kind, including liabilities in respect of the employees of the Transferor Company with regard to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of voluntary retirement or retrenchment.
  - i. All Employees of the Transferor Company will become employees of the Transferee Company, with the same benefits and privileges enjoyed by them in the Transferor Company.
- 2.2 References to Clauses, sub-Clauses and Recitals, unless otherwise provided, are to clauses, sub-clauses and recitals of and to this Scheme.
- 2.3 The headings herein alone shall not be taken for the purpose of the construction of this Scheme.
- 2.4 Unless the context otherwise requires, reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof,

from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

- 2.5 The singular shall include the plural and vice versa; and references to one gender include all genders.
- 2.6 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.
- 2.7 Reference to a person includes any individual, firm, body corporate (whether incorporated or not), Governmental Authority, or any joint arrangements, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
3. **Operative date of the Scheme**  
The Scheme set out herein in its present form or with any modification(s) and amendments(s) made in accordance with the provisions hereof, approved or directed by the Tribunal, shall be effective from the Appointed Date but shall be made operative from the Effective Date.

4. **Share Capital**

4.1 Transferor Company,

- (i) The share capital structure of the Transferor Company as on 3<sup>rd</sup> February, 2018, is as under:

<b>Authorised Share Capital</b>	<b>in Rupees</b>
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
2,00,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	20,00,00,000
<b>Total</b>	<b>40,00,00,000</b>

<b>Issued, subscribed and paid up</b>	<b>in Rupees</b>
1,88,60,520 Equity shares of ₹ 10 each	18,86,05,200
1,25,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	12,50,00,000
<b>Total</b>	<b>31,36,05,200</b>

- (ii) The Equity shares of the Transferor Company are not listed on any stock exchange.
- (iii) 74.6% Equity shares as well as 100% Preference shares of the Transferor Company are held by the Transferee Company (directly and/or through its nominees) and the remaining Equity Shares by the NGI, Japan.
- (iv) As on date of the Scheme being approved by the Board of Directors of the Transferor Company, there shall not be any change or composition in the authorized, issued, subscribed and paid up share capital of the Transferor Company so as to interfere with the valuation of the shares of the Transferor Company.

4.2 Transferee Company

- (i) The share capital structure of the Transferee Company as on 3<sup>rd</sup> February, 2018 is as under:

<b>Authorised Share Capital</b>	<b>in Rupees</b>
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
9,29,412 Optionally convertible Non-cumulative Preference Share of Rs.170 each	15,80,00,040
<b>Total</b>	<b>35,80,00,040</b>

<b>Issued, subscribed and paid up</b>	<b>in Rupees</b>
90,79,160 Equity shares of ₹ 10 each	9,07,91,600
9,29,412 Optionally convertible Non-cumulative Preference Share of Rs.170 each	15,80,00,040
<b>Total</b>	<b>24,87,91,640</b>

(ii) As on date of the Scheme being approved by the Board of Directors of the Transferee Company, there shall not be any change or composition in the authorized, issued, subscribed and paid up share capital of the Transferee Company so as to interfere with the valuation of the shares of the Transferee Company.

(iii) The company has issued 929,412 Nos. of Optionally Convertible Non-Cumulative Preference Shares (OCPS) with a face value of Rs. 170/- each for cash at par on a preferential basis to M/s. Nitta Gelatin Inc., Japan, one of the promoters. Each holder of Preference shares is entitled to a preferential right for fixed dividend of 5.4029% (5 % + 6 months USD Libor as on record date ie, 17.04.2015) per annum on the face value of the OCPS, on a non-cumulative basis payable on pro-rata basis from date of allotment, if declared. The OCPS is convertible into an equal number of equity shares of face value of Rs 10/- each within 18 months from the date of allotment (i.e 28.04.2015), in one or more financial years, at a price of Rs 170/- each (inclusive of a premium of Rs. 160/- per share). All outstanding Optionally Convertible Non-Cumulative Preference Shares, which are not converted into equity shares at the end of the 18 months from the date of allotment are redeemable at par at the expiry of seven years from date of allotment or except as is otherwise repayable on the exercise of a put and call option at the expiry of five years from date of allotment subject to such approvals as may be required. No OCPS was converted into equity shares till the completion of the period of 18 months from the date of allotment.

## **PART II**

### **MERGER OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY**

#### **Section 1 – Transfer**

5. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in the Transferee Company, as a going concern in accordance with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961, without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company, by virtue of and in the manner provided in this Scheme.
6. **Transfer of assets**
  - a. Without prejudice to the generality of Clause 5 above, upon the coming into effect of the Scheme and with effect from the Appointed Date, all the estate, assets, properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate, whether or not included in the books of the Transferor Company, and all assets and properties, 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 230 to 232 of the Act and all other applicable provisions of applicable law, if any, without any further act, deed or instrument, 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 be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date (or in case of any estate, assets, etc. acquired on a date after the Appointed Date, with effect from such date), the estate, assets,

properties (including investments in shares, securities, stocks, bonds), rights, claims, title, interest and authorities of the Transferee Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

- b. Without prejudice to the provisions of sub-Clause (a) above, in respect of such of the assets and properties of the Transferor Company as are movable in nature (including shares, securities, stocks, bonds) or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, the same shall be so transferred by the Transferor Company upon the coming into effect of the Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 232 of the Act and all other applicable provisions of applicable law, if any, without requiring any deed or instrument of conveyance, cost or charge and without any notice or other intimation to any third party for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
- c. In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in sub-Clause (b) above) including sundry debtors, receivables, bills, credits (including tax credits), loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, earnest money and deposits with any Government, quasi government, local or other authority or body or with any Company or other person, the same shall stand transferred to and vested in the Transferee Company and/ or deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of applicable law, if any.
- d. Upon the Scheme coming into effect and with effect from the Appointed Date, all immovable property (including but not limited to land, agricultural land, buildings, offices, factories, sites and any other immovable property, including accretions and appurtenances) of the Transferor Company, whether freehold or leasehold, and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company, without any act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfill all obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate Governmental Authorities and third parties pursuant to the sanction of the Scheme by the Tribunal and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. It is clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations as may be necessary for the purposes of the aforesaid mutation and/or substitution. The charges standing in the name of the Transferor Company shall become the charges in the name of the Transferee Company by virtue of the scheme of merger and amalgamation.
- e. All the licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, income tax benefits and exemptions, all other rights, exemptions and benefits including those acquired by the Transferor Company on or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable 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 transfer of the same, on coming into effect of the Scheme and with effect from Appointed Date, be and stand transferred to and vesting and/ or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits (including sales tax and service tax), subsidies, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

- f. All the rights, remedies, claims and rights of action of the Transferor Company against third parties shall, pursuant to Sections 230 to 232 of the Act, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for transfer of the same, be and deemed to be rights, remedies, claims and rights of action of the Transferee Company upon the coming into effect of the Scheme and with effect from the Appointed Date.
- g. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- h. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such times the name of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain banks accounts in the name of Transferor Company by the Transferee Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.

7. **Contracts, deeds etc.**

- (a) Upon the coming into effect of this Scheme and with effect from Appointed Date, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements 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 for, and which are subsisting or have effect immediately before the Effective Date, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable 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, continue in full force and effect on or against or in favour, as the case maybe, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto or thereunder.
- (b) It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the order of the Tribunal sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company under any contractual arrangements shall automatically stand transferred to and vested in

and/ or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/ or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and stead of the Transferor Company, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.

- (c) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of the Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contractor arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- (d) For the avoidance of doubt and without prejudice to the generality of the foregoing, up on the coming into effect of the Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to, or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to, or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

#### 8. **Transfer of Liabilities**

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts and liabilities of the Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), liabilities (including contingent liabilities, deferred tax liabilities and obligations under any licenses or permits or schemes), duties and obligations and undertakings of the Transferor Company of every kind, nature and description what so ever whether present or future, and how so ever arising, raised or incurred or utilized for its business activities and operations along with any charge, Encumbrance, lien or security thereon (herein referred to as the "**Liabilities**"), whether or not recorded in its books and records, shall, under the provisions of Sections 230 to 232 of the Act and other applicable provisions of applicable law, if any, without any further act, instrument, deed, matter or thing, 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, to the extent they are outstanding on the Effective Date and shall become as and from the Appointed Date (or in case of any Liability incurred on a date after the Appointed Date, with effect from such 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 and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 8.

- (b) All Liabilities incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- (d) Where any Liabilities of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- (e) All Liabilities incurred or undertaken by the Transferor Company on or after the Appointed Date and 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 to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, 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 and shall become the loans and liabilities, duties and obligations of the Transferee Company, which shall meet, discharge and satisfy the same.
- (f) Upon coming into effect of the Scheme, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability, including 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, *ipso facto*, 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.
- (g) 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 by virtue of 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 forms and returns with the Registrar of Companies to give formal effect to the above provisions, if required.
- (h) Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- (i) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- (j) The provisions of this Clause shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/ or superseded by the foregoing provisions.

#### **9. Encumbrances**

- (a) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clause 5 and Clause 6 of this Scheme shall be subject to the Encumbrances, if any, affecting the same.
- (b) 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, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been encumbered in respect of the Liabilities, such assets shall remain



unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other 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.

- (c) The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of the Scheme.

10. **Employees and directors**

- (a) Upon the coming into effect of this Scheme, the Employees as defined above, if any, shall, under the provisions of Sections 230 to 232 of the Act and 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 their transfer, become the employees of the Transferee Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the merger of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other term in all benefits, the past services of such Employees with the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- (b) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company.
- (c) In so far as the provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the Employees or to which the Transferor Company is contributing for the benefit of the Employees and other such funds, trusts, the benefits of which the Employees enjoy (collectively referred to as the “**Funds**”), all the contributions made to such Funds for the benefit of the Employees and the accretions thereto and the investments made by the Funds in relation to the Employees shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the Funds referred to above, such contributions, accretions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing Funds separately and contribute there to until such time that the Transferee Company creates its own funds, at which time the Funds and the investments, accretions and contributions pertaining to the Employees shall be transferred to the funds created by the Transferee Company.
- (d) In relation to those Employees who are not covered under the provident fund trust of the Transferor Company or who do not enjoy the benefit of any other provident fund trust, and for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such

Employees, such that all the rights, duties, powers and obligations of the Transferor Company in relation to such provident fund trust shall become those of the Transferee Company.

- (e) Upon the coming into effect of this Scheme, the directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of a person who is already a director in the Transferee Company as of the Effective Date.

**11. Legal, taxation and other proceedings**

- a. 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.
- b. The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Company referred to in sub-Clause (a) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by/ or against the Transferee Company.
12. Without prejudice to the provisions of Clauses 5 to 10, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.

**Section 2 – Conduct of Business**

13. Upon the coming into effect of the Scheme, with effect from the Appointed Date and up to and including the Effective Date:
- (a) 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 all its estates, assets, rights, title, interest, authorities, contracts and investments for, and on account of, and in trust for, the Transferee Company;
- (b) All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), 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 (including taxes), as the case maybe, of the Transferee Company;
- (c) 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, including compliances such as tax deducted at source / tax collected at source under income-tax laws, compliances under sales tax, service tax, excise and other applicable laws 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 for the Transferee Company; and
- (d) all taxes (including, without limitation , income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/ or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

14. Subject to the terms of the Scheme, the transfer and vesting of the Undertaking 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, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.
15. 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.

**Section 3 – Cancellation of Shares of the Transferor Company**

16. Upon the Scheme coming into effect, all equity shares and optionally convertible preference shares of the Transferor Company held by the Transferee Company (directly and/ or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that only redeemable preference shares shall be issued by the Transferee Company to other existing shareholders against the value of the equity shares held by them in the Transferor Company.

**PART III**

**SECTION 1- ALTERATION OF AUTHORISED CAPITAL OF THE TRANSFEE COMPANY AND INCREASE OF ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL OF THE TRANSFEE COMPANY**

17. The provisions of this Part III shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.
18. Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with authorized share capital of the Transferee Company giving a scope for enhancement of the authorized share capital of the Transferee Company even though the scheme does not envisage the issue of equity shares to the members of the Transferor Company by way of share exchange. Filing fees, stamp duty if any paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on its combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any additional filing fee, stamp duty on it increased authorized share capital.
19. For enabling the Transferee Company to issue redeemable preference shares to the other existing equity shareholder of the Transferor Company as a consideration for the merger, the Transferee Company shall enhance the authorized preference share capital by way of issuing 44,44,444 redeemable preference shares of Rs 10 each for allotment to the other existing equity shareholder of the Transferor Company.
20. Accordingly, Clause V(a) 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 sections 12, 61 and 64 and other applicable provisions of the Companies Act, 2013 and the rules framed there under, by deleting the existing clause and replacing it by the following:  
 “The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rs. Fifteen Crores Eighty Lakhs and Forty only)and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10 each aggregating to Rs20,00,00,000 (Rs Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs4,44,44,440 ( Rs. Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only) with power to increase and reduce the Capital for the time being of the Company into several classes and to attach thereto respectively preferential, qualified or special rights, privileges or conditions as such may be determined by or in accordance with the provisions of the Companies Act,2013 and Articles of Association of the Company and to vary, modify, or abrogate any such rights, privileges to conditions in such manner as may for the time

being provided by the aforesaid regulations.”

21. Article 3 of the Articles of Association of the Transferee Company shall without any further act, instrument or deed, be and stand altered, modified and amended pursuant to sections 14, 61 & 64 and other applicable provisions of the Companies Act, 2013 and the Rules framed there under by deleting the existing clause and replacing it by the following:  
“The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rupees Fifteen Crores Eighty Lakhs and Forty only)and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10/- each aggregating to Rs 20,00,00,000/- (Rupees Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs. 4,44,44,440/- ( Rupees Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only)
22. The approval of this scheme by the shareholders of the Transferee Company under section 230 and 232 of the Act, whether at a meeting or otherwise, shall be deemed to have the approval under sections 13, 61 and 64 and other applicable provisions of the Companies Act, 2013 and the rules framed there under and any other consents and approval required in this regard.

#### **SECTION 2-ISSUE OF PREFERENCE SHARES BY TRANSFEREE COMPANY**

23. The share valuation of the Transferor and Transferee companies have been made in the valuation reports prepared by the Registered valuer and based on the report of the valuation of shares of the Transferor and Transferee companies ,upon the coming into the effect of this Scheme and in consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of this scheme, the Transferee Company shall subject to the provisions of Clause 20,21 and 22,without any further application, act, instrument or deed issue and allot to Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the Register of Members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;
  - One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up.
24. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Transferor or Transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme. The RPS to be issued by the Transferee Company pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by the Transferee Company.
25. The percentage of Minimum Public Shareholding of 25 % (MPS) criteria on fully diluted basis is maintained in post-merger paid up equity capital of the Transferee- Company.

#### **PART IV**

#### **DISSOLUTION OF TRANSFEROR COMPANY, ACCOUNTING TREATMENT AND OTHER TERMS AND CONDITIONS**

##### **26. Dissolution of Transferor Company**

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

- (b) On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

27. **Accounting Treatment**

- a) Upon the Scheme becoming effective, the Transferee Company shall account for the merger in its books of accounts as under:
  - (i) The accounting shall be in accordance with “Pooling of Interest Method” laid down by Appendix C of Indian Accounting Standard 103 (Ind AS 103): (Business combinations of entities under common control), notified under the Companies Act, 2013.
  - (ii) Accordingly, on and from the Appointed Date and subject to the provisions hereof, including clause all assets, liabilities and reserves of the Transferor Company shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
  - (iii) In case of any difference in accounting policy between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statement reflects the financial position on the basis of consistent accounting policy.
  - (iv) All costs and expenses incurred as per Clause 29 below as well as other costs incidental with the finalization of this Scheme and for operationalizing the Scheme and any other expenses or charges attributable to the implementation of the above Scheme including stamp duty payable, if any, on the basis of value of immovable properties of the Transferor Company transferred to the Transferee Company shall be debited to the profit & loss account of the Transferee Company. The costs to issue debt or equity securities shall be recognized in accordance with IND AS 32 and IND AS 109.
  - (v) To the extent that there are inter-company loans, advances, deposits, balances or other obligations as between 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 accounts and records of the Transferee Company for the reduction of any assets or liabilities as the case maybe 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.
  - (vi) Consideration if any to be issued to the other equity shareholders of the Transferee Company would be recorded at their nominal value in the books of the Transferor Company.
  - (vii) The difference, if any, between the investments held by the Transferee Company and all assets, liabilities and reserves of the Transferor Company, along with the consideration if any to be paid to the other shareholders of the Transferor Company will be transferred to “other equity” portion under the head Equity of the Transferor Company.
  - (viii) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.

28. **Conditions precedent to the Scheme**

- (a) The Scheme is conditional upon and subject to:
  - (i) The Scheme being approved by the requisite majorities of the various classes of members (where applicable) of the Transferor Company and the Transferee Company as required under the Act, or dispensation having been received from the Tribunal in relation to obtaining such approval from the members, and the requisite orders of the Tribunal being obtained in this regard and with the support of the simple majority of the public shareholders of the Transferee Company, being a listed entity;

- (ii) The Scheme being approved by majority of the public shareholders through postal ballot and e-voting as per the requirements in terms of Part I(A)(9)(a) and (b) of Annexure I of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.
  - (iii) the Tribunal having accorded its sanction to the Scheme;
  - (iv) the receipt of pre-filing and post sanction approvals of the Stock Exchanges and SEBI in terms of the SEBI Scheme Circulars, as applicable; and
  - (v) the authenticated or certified copies of the order of the Tribunal approving the Scheme being filed with the Registrar of Companies, Kerala.
- (b) On the approval of the Scheme by the shareholders of the Transferor Company and the Transferee Company, in accordance with Section 230(1) of the Act, the shareholders of the Transferor Company and Transferee Company, respectively, shall be deemed to have also resolved and accorded all relevant consents under the Act to the extent the same may be considered applicable in relation to the arrangement set out in this Scheme and related matters.
- (c) In the event of this Scheme failing to take effect by 31<sup>st</sup> March, 2019 or such later date as may be agreed by the respective Boards of Directors of the Transferor Company and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect and become null and void, and in that event, no rights and liabilities shall accrue to, or, be incurred *inter-se* between the parties or their shareholders or creditors or employees or any other person. In such case, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses or as may be otherwise mutually agreed.

29. **Dividends**

The Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to its shareholders in respect of the accounting period prior to the Effective Date and enjoy their equity rights under Articles of Association.

- (a) Prior to the effectiveness of the Scheme, the holders of the shares of the Transferor Company will continue to enjoy their existing rights under its Articles of Association, not entitled any dividends.
- (b) 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 shareholder of the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company, and subject to the approval, if required, of the shareholders of the Transferee Company.

30. **Applications**

The Transferor Company and the Transferee Company shall make necessary applications before the Tribunal for the sanction of this Scheme under Sections 230 to 232 of the Act, and any other applicable provisions of the Act.

31. **Resolutions**

Upon the coming into effect of the Scheme, the resolutions, if any, of the Transferor Company, relating to any powers to borrow, make investments, give loans, give guarantees, etc. approved under the provisions of the Act or any other applicable statutory provisions, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and the amounts under such resolutions shall be added to the amounts under like resolutions passed by the Transferee Company or shall become the amounts available to the Transferee Company as if the resolutions were passed by the Transferee Company.

32. **Modifications to the Scheme**

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

- (i) Assent to any alteration(s) or modification(s) to this Scheme which the Tribunal and/ or any other Governmental Authority may deem fit to approve or impose and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;
  - (ii) Give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to, and of the meaning or interpretation of this Scheme, or implementation thereof, 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 waive any of those (to the extent permissible under applicable law);
  - (iii) Jointly modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time;
  - (iv) Determine jointly whether any asset, liability, 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; and
  - (iv) Any modification to the Scheme by the Transferor Company and/ or the Transferee Company, after receipt of sanction by the Tribunal, shall be made only with the prior approval of the Tribunal.
- (b) Notwithstanding anything stated in Clause 31(a) hereinabove, no amendments or changes to the Scheme shall be carried out or be permissible unless and until the same are approved by the Tribunal.

33. **Severability**

- (a) The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically recommended otherwise by the respective Board of Directors of the Transferor Company and the Transferee Company and accordingly agreed to by the shareholders of the companies by the required majority in their respective general meetings.
- (b) If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/ or provisions of this Scheme.

34. Upon this Scheme becoming effective, the accounts of the Transferee Company, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.

35. The Transferee Company shall be entitled to file/ revise its income tax returns, TDS certificates, TDS returns, and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income Tax Act, 1961, credit of tax deducted / collected at source, credit of taxes paid/ withheld etc., if any, as may be required consequent to implementation of this Scheme.

36. **Repeals and Savings**

Any matter filed with Registrar of Companies, Regional Director or the Central Government under the previous Companies Act, 1956, before the notification of the corresponding provisions under the Companies Act, 2013 and not fully addressed at that time shall be concluded by the Registrar, Regional Director or the Central Government, as the case may be, in terms of the previous Companies Act, 1956. Any direction or order given by the Tribunal under the provisions of the previous Companies Act, 1956 and any act done by the Transferor Company and / or Transferee Company based on such directions or order shall be deemed to be in accordance with and consistent with the provisions of the Companies Act, 2013. Accordingly, the provisions of the Companies Act, 2013, shall not apply to acts done by the Transferor Company and /or Transferee Company as per direction or order of the Tribunal sanctioning the Scheme prior to the commencement of the Companies Act, 2013.

37. **Costs**

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

**ANNEXURE – TERMS OF PREFERENCE SHARES**

**TERMS AND CONDITIONS FOR ISSUE OF REDEEMABLE PREFERENCE SHARES ('RPS')**

Dividend Rate on RPS	Six months Libor plus 500 basis points
Listed	RPS will not be listed on any Stock Exchange
Tenure of RPS	07 Years
Put & Call Option	There shall vest a right for put and call option for repayment at the expiry of 5 years from the date of allotment

**TERMS AND CONDITIONS OF RPS**

(to be printed on the reverse of the share certificate)

The following rights shall be attached to the preference shares of Rs.100/- each:

- I) The Preference Shares of Rs.100/- fully paid-up shall be non-convertible ;
- II) The Preference Shares shall be non-cumulative;
- III) The Preference Shares shall be non-participating;
- IV) In the event of winding up of NGIL (including capital uncalled for at the commencement of winding up) remaining after paying and discharging the debts and liabilities of NGIL and the cost of winding up shall be applied in the following order of priority:
  - (a) in repayment of capital paid up or credited as paid up on the RPS;
  - (b) the surplus, if any, shall be divided amongst the holders of the equity shares according to the amounts paid up thereon
- V) The Preference Shares shall be deemed to be allotted on the Effective Date.
- VI) The Preference Shares shall be taken as redeemed and fully discharged on payment of the redemption amount by NGIL to the holder thereof as per the Register of Preference Shareholder. Such payment will be a legal discharge of the liability of NGIL towards the Preference Shareholders.
- VII) The record date for payment of the redemption amount will be 30 days prior to each redemption date.
- VIII) The Preference Shareholders will not be entitled to any rights and privileges of equity shareholders, other than those available to them under statutory requirements.



**SSPA & CO.**

*Chartered Accountants*

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**STRICTLY PRIVATE & CONFIDENTIAL**

February 03, 2018

**The Board of Directors,  
Nitta Gelatin India Limited  
54/1446, SBT Avenue,  
Panampilly Nagar,  
Cochin – 682 036, Kerala.**

**The Board of Directors,  
Reva Proteins Limited  
54/1446, SBT Avenue,  
Panampilly Nagar,  
Cochin – 682 036, Kerala.**

**Re: Recommendation of fair share exchange ratio for the purpose of proposed amalgamation of Reva Proteins Limited with Nitta Gelatin India Limited**

Dear Madam(s)/ Sir(s),

As requested by the management of Nitta Gelatin India Limited (hereinafter referred to as 'NGIL') and Reva Proteins Limited (hereinafter referred to as 'RPL') (hereinafter collectively referred to as the 'Management'), we have undertaken the valuation exercise of equity shares of RPL to recommend a fair exchange ratio for the proposed amalgamation of RPL with NGIL (hereinafter collectively referred to as 'the Companies').

**1. PURPOSE OF VALUATION**

- 1.1 We have been informed that the management of RPL and NGIL are considering a proposal for the amalgamation of RPL with NGIL (hereinafter referred to as 'Amalgamation') through a Scheme of Amalgamation ('the Scheme') pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('the Act'). Subject to necessary approvals, RPL would be amalgamated with NGIL with effect from Appointed Date of April 01, 2017 ('Appointed Date').
- 1.2 In this regards, SSPA & Co., Chartered Accountants ("SSPA") have been appointed to recommend the fair share exchange ratio for the proposed amalgamation for consideration of the Boards of NGIL and RPL.
- 1.3 We have been represented by the Management that NGIL intends to discharge the consideration for amalgamation through issue of Redeemable Preference Shares



carrying a coupon of 6 months Libor + 500 basis points (hereinafter referred to as 'RPS') of INR 10 each to the equity shareholders of RPL. In view of this, there is no need to carry out valuation of equity shares of NGIL. Considering this, we have carried out a valuation of the equity shares of RPL with a view to recommend a ratio of exchange of RPS of NGIL to the equity shareholders of RPL for the proposed Amalgamation.

**2. BRIEF BACKGROUND**

**2.1 NITTA GELATIN INDIA LIMITED**

- 2.1.1 NGIL is Indo-Japanese joint venture between Kerala State Industrial Development Corporation Ltd., India and Nitta Gelatin Inc., Japan.
- 2.1.2 NGIL is engaged in the manufacture and sale of Gelatin, Ossein, Di Calcium Phosphate (DCP), Ossein (Limed), Chitosan and Collagen Peptide, which are used in various applications, including healthcare, personal care, food products and animal feed. NGIL's plants are located at Koratty, Kusumagiri, and Cherthala Taluk in the state of Kerala.
- 2.1.3 The equity shares of NGIL are listed on BSE Limited.

**2.2 REVA PROTEINS LIMITED**

- 2.2.1 RPL is a subsidiary of NGIL and is engaged in manufacture and sale of Limed Ossein, Ossein, Di Calcium Phosphate (DCP) and 8% Di Calcium Phosphate. RPL's manufacturing facility is situated at Bharuch, Gujarat.
- 2.2.2 We have been informed by the Management that post FY 2015-16, business model of RPL has changed from a job processor (job work services) for NGIL to an independent manufacturer and seller.
- 2.3 We have been informed that upon amalgamation becoming effective, the existing Optionally Convertible Non-Cumulative Preference Shares of RPL held by NGIL shall stand cancelled.

**3. SOURCES OF INFORMATION**

For the purpose of the valuation exercise, we have relied upon the following sources of information:

- (a) Audited Financial Statements of NGIL and RPL for the financial year ('FY') ended March 31, 2017.



- (b) Management certified Provisional Financial Statements of RPL for the 6 months period ended September 30, 2017 ('6ME Sep 17').
- (c) Financial Projections of RPL comprising of Balance Sheet and Statement of Profit and Loss for FY 2017-18 to FY 2022-23 as provided by the Management.
- (d) Discussions with the Management on various issues relevant for the valuation including the prospects and outlook for the industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc.
- (e) Other relevant details regarding the Companies such as their history, their promoters, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data as provided by the Management.
- (f) Information available in the public domain.

#### **4. EXCLUSIONS AND LIMITATIONS**

- 4.1 Our report is subject to the scope limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made.
- 4.2 Valuation is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single value. While SSPA has provided an assessment of the value based on the information available, application of certain formulae and within the scope and constraints of our engagement, others may place a different value to the same.
- 4.3 A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular.
- 4.4 In the course of the valuation, we were provided with both written and verbal information. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Management.
- 4.5 Our work does not constitute an audit or certification of the historical financial statements / prospective results of the Companies along with information sourced from public domain, referred to in this report. We have, therefore, not performed any due



diligence procedure on the historical data and information sourced from public domain. Further, we do not accept responsibility for the accuracy and completeness of the information provided to us by the Management or information sourced from public domain and 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 and consequential impact on the present exercise.

- 4.6 No investigation on the Managements' claim to title of assets of the Companies has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the liabilities disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- 4.7 Our recommendation is based on the estimates of future financial performance as projected by the Management, which we are informed represents their view of reasonable expectation at the point of time when they were prepared, but such information and estimates are not offered as assurances that the particular level of income or profit will be achieved, or events will occur as predicted. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as our being associated with or a party to such projections.
- 4.8 This report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies along with any other matter, which may have an impact on our opinion, on the valuation including any significant changes that have taken place or are likely to take place in the financial position of the Companies subsequent to date of this report. We have no responsibility to update this report for events and circumstances occurring after the date of this report.
- 4.9 The fee for the engagement and this report is not contingent upon the results reported.
- 4.10 Our report is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, competition, taxation and capital market related laws or as regards any legal implications or issues arising in India or abroad from the proposed amalgamation. It also should not be construed as compliance



to ECB norms under which the Management is proposing to issue RPS as consideration for the Amalgamation.

- 4.11 The decision to carry out the transaction (including consideration thereof) lies entirely with the parties concerned. Any person intending to provide finance/invest in the shares/business of the Companies, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. Our work and our finding shall not constitute a recommendation as to whether or not the parties concerned should carry out the transaction.
- 4.12 Valuation analysis and results are specific to the purpose of valuation and the valuation date mentioned in the report is as per agreed terms of our engagement.
- 4.13 This report is prepared only in connection with the proposed amalgamation exclusively for the use of the Companies and for submission to any regulatory/statutory authority as may be required under any law. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared. In no event, regardless of whether consent has been provided, shall SSPA assume any responsibility to any third party to whom the report is disclosed or otherwise made available.
- 4.14 SSPA nor its partners, managers, employees make any representation or warranty, express or implied, as to the accuracy, prudence or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in the valuation.

**5. VALUATION APPROACH**

- 5.1 For the purpose of valuation for amalgamation, generally the following approaches are adopted:
- (a) the 'Underlying Asset' approach,
  - (b) the 'Income' approach; and
  - (c) the 'Market' approach



- 5.2 As stated earlier, since RPS are being issued to the equity shareholders of NGIL as consideration for the proposed amalgamation, no valuation of equity shares of NGIL is required.
- 5.3 In the present case, RPL is intended to be valued on a 'going concern basis' and there is no intention to dispose-off the assets, therefore the 'Underlying Asset' approach is not adopted for the present valuation exercise.

**6. VALUATION AS PER INCOME APPROACH**

- 6.1 Under the 'Income' approach, shares of RPL have been valued using 'Discounted Cash Flow' (DCF) method.
- 6.2 Under the DCF method the projected free cash flows from business operations after considering fund requirements for projected capital expenditure and incremental working capital are discounted at the Weighted Average Cost of Capital (WACC). The sum of the discounted value of such free cash flows and discounted value of perpetuity is the value of the business.
- 6.3 The free cash flows represent the cash available for distribution to both the owners and the creditors of the business. The free cash flows are determined by adding back to profit before tax, (i) depreciation and amortizations (non-cash charge), (ii) interest on loans, if any and (iii) any non-operating item. The cash flow is adjusted for outflows on account of capital expenditure, tax and change in working capital requirements.
- 6.4 WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the Company. In other words, WACC is the weighted average of the company's cost of equity and debt. Considering an appropriate mix between debt and equity for the Company, we have arrived at the WACC to be used for discounting the Free Cash Flows of the Companies.
- 6.5 Appropriate adjustments have been made for cash and cash equivalents, present value of 6% Optionally Convertible Non-Cumulative Preference Shares ('OCNCPS'), value of investments and outstanding debt after considering the tax impact wherever applicable to arrive at the Equity value.
- 6.6 The equity value so arrived at is divided by the outstanding number of equity shares to arrive at the value per equity share of RPL.



**7. VALUATION AS PER MARKET APPROACH**

- 7.1 The market price of an equity share as quoted on a stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares.
- 7.2 Since the equity shares of RPL are not listed on any recognized stock exchanges, value under market approach is disclosed based on Comparable Companies Multiple Method.

**8. RECOMMENDATION OF FAIR EXCHANGE RATIO**

- 8.1 The fair basis of amalgamation of RPL with NGIL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above approaches, for the purposes of recommending a ratio of exchange it is necessary to arrive at a single value for the shares of the Companies. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of each company. Our exercise is to work out relative value of shares of the Companies to facilitate the determination of a ratio of exchange. For this purpose, it is necessary to give appropriate weightage to the values arrived at under each approach.
- 8.2 As mentioned earlier, the Management is proposing to issue RPS as consideration for amalgamation of RPL with NGIL. We have been further informed that RPS will carry a coupon of 6 months Libor + 500 basis points and shall be non-cumulative, non-participating and redeemable at par. We have been informed by the Management that the coupon of RPS is in compliance with existing EBC norms since RPS are being issued to promoters of NGIL (non-resident). Thus, the coupon of 6 months Libor + 500 basis points appears to be fair.
- 8.3 Further, shares of RPL are not listed on stock exchanges. Thus there is no market price available for the shares of RPL. Considering that RPL has recently changed business model from job processor to an independent manufacturer and seller, we have thought fit to give weightage only to value determined under Income Approach using DCF Method.



Valuation Approach	Value per share (INR)	Weight
Underlying Asset Approach *	1.27	-
Income Approach	9.27	1
Market Approach *	9.79	-
<b>Value per share</b>		<b>9.27</b>

\* Note: As mentioned earlier, we have not adopted the 'Underlying Asset' approach and 'Market' approach for the present valuation exercise. However, we have computed the value per share as per 'Underlying Asset' approach and 'Market' approach for information purpose only, as required by BSE Limited and National Stock Exchange of India Limited vide their circular No. LIST/COMP/02/2017-18 dated May 29, 2017 and NSE/CML/2017/12 dated June 01, 2017 respectively.

8.4 The share exchange ratio has been arrived on the basis of a relative valuation of the shares of the Companies based on the approaches explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses of the companies, having regard to information base, management representations and perceptions, key underlying assumptions and limitations.

8.5 In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. present and prospective competition, yield on comparable securities and market sentiments etc. which are not evident from the face of the balance sheet but which will strongly influence the worth of a share. This concept is also recognized in judicial decisions. For example, Viscount Simon Bd in Gold Coast Selection Trust Ltd. vs. Humphrey reported in 30 TC 209 (House of Lords) and quoted with approval by the Supreme Court of India in the case reported in 176 ITR 417 as under:

*"If the asset takes the form of fully paid shares, the valuation will take into account not only the terms of the agreement but a number of other factors, such as prospective yield, marketability, the general outlook for the type of business of the company which has allotted the shares, the result of a contemporary prospectus offering similar shares for subscription, the capital position of the company, so forth. There may also be an element of value in the fact that the holding of the shares gives control of the company. If the asset is difficult to value, but is nonetheless of a money value, the best valuation possible must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible."*





**SSPA & CO.**  
*Chartered Accountants*

*must be made. Valuation is an art, not an exact science. Mathematical certainty is not demanded, nor indeed is it possible.*

- 8.6 In the light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove referred to earlier in this report, in our opinion, a fair ratio of exchange in the event of amalgamation of RPL with NGIL would be as under:

**One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) equity shares of RPL of INR 10/- each fully paid up.**

Thank you,  
Yours faithfully,

SSPA & CO



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

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

Place: Mumbai



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August 28, 2018

**Mr. G Rajesh Kurup**  
 Company Secretary & Compliance Officer  
**Nitta Gelatin India Limited**  
 54/1446, SBT Avenue,  
 Panampilly Nagar,  
 Cochin – 682 036, Kerala.

Dear Sir,

**Re: Summary workings and issue of Redeemable Preference Shares of fair value per share and fair exchange ratio for the proposed amalgamation of Reva Proteins Limited with Nitta Gelatin India Limited to be submitted with the stock exchanges**

This is in reference to your request for providing summary workings of fair value per share and fair exchange ratio for the proposed amalgamation ("amalgamation") of Reva Proteins Limited (hereinafter referred to as "RPL") with Nitta Gelatin India Limited (hereinafter referred to as "NGIL" or the "Company") for submission with the stock exchanges in the format as prescribed by per the circular number NSE/CML/2017/12 of National Stock Exchange of India Limited ("NSE") and LIST/COMP/02/2017-18 of BSE Limited ("BSE").

RPL is proposed to be amalgamated into NGIL, whereby NGIL will discharge the consideration to shareholders of RPL by issue of such number of Redeemable Preference Shares ('RPS') of face value INR 10 each carrying a coupon of 6 months Libor + 500 basis points to the shareholders of RPL based on the ratio of exchange. Considering this valuation of equity shares of NGIL has not been carried out and only valuation of equity shares of RPL with a view to recommend a ratio of exchange of RPS of NGIL to the equity shareholders of RPL has been carried out.

The equity share capital of RPL is given below:

Name of the equity shareholder	Shares	% of holding
Nitta Gelatin India Limited (NGIL)	140,60,520	74.55%
Nitta Gelatin Inc., Japan	48,00,000	25.45%
<b>Total</b>	<b>188,60,520</b>	<b>100.00%</b>



The entire Optionally Convertible Non-Cumulative Preference Shares (OCNCS) is held by NGIL.

As part of the proposed Scheme of Amalgamation pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013; existing OCNPS and equity shares held by NGIL in RPL will be automatically cancelled on amalgamation.

Allotment of RPS based on ratio of exchange:

- **Nitta Gelatin India Limited**

Under the amalgamation shares held by NGIL are being cancelled, therefore no RPS will be allotted to NGIL.

- **Nitta Gelatin Inc, Japan**

Particulars	Amount
No of equity shares held in RPL (Nos.)	48,00,000
Fair Value per share of RPL (INR)	9.27
Total Value of RPL's holding (INR Lacs) (Rounded off)	444.44

Accordingly, the ratio of exchange as required by the format is given below:

Valuation Approach	Nitta Gelatin India Limited		Reva Proteins Limited	
	Value per Share (INR)	Weight	Value per Share (INR)	Weight
Asset Approach	NA	NA	1.27	0
Income Approach	NA	NA	9.27	1
Market Approach	NA	NA	9.79	0
Relative Value per Share	NA		9.27	
Exchange Ratio (Rounded off)			NA	

Valuation of equity shares of NGIL is not required considering the fact that RPS is proposed to be issued to the Shareholders of RPL on amalgamation.

Value per equity shares of RPL is INR 9.27 and face value of Redeemable Preference Shares (RPS) proposed to be issued by NGIL is INR 10 each, therefore Share Exchange Ratio is One Hundred (100) RPS of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) equity shares of RPL of INR 10/- each fully paid up.



Based on the above NGIL will allot the following RPS to equity shareholders of RPL:

Name of the shareholder	RPS	Remarks
Nitta Gelatin India Limited (NGIL)	-	No RPS to be allotted since Inter Company Holding
Nitta Gelatin Inc., Japan	44,44,444	Based on Ratio of Exchange
<b>Total</b>	<b>44,44,444</b>	

Hope the above clarifies. Should you need further assistance, please feel free to contact us.

Thanking you,  
Yours sincerely,

*SSPA & Co*



**SSPA & Co.**  
**Chartered Accountants**  
(Signed by: Mr. Parag Ved, Partner)

**STRICTLY PRIVATE & CONFIDENTIAL**

03 February, 2018

**The Board of Directors**  
**Nitta Gelatin India Limited**  
50/1002, Panampilly Nagar,  
Ernakulam, Kerala, India - 682036

Dear Sirs,

- Sub.:** Fairness Opinion Certificate on the report on recommendation of Share Exchange Ratio by SSPA & Co. (Chartered Accountants).
- Re.:** Scheme of Amalgamation of Reva Proteins Limited with Nitta Gelatin India Limited and their respective shareholders ("Scheme").

This has reference to the request made by the management of Nitta Gelatin India Limited (hereinafter referred to as "NGIL" or "the Company") in connection with fairness opinion on the report on recommendation of Share Exchange Ratio by SSPA & Co. (Chartered Accountants) (hereinafter referred to as "the Valuer") for issue of redeemable preference shares of the Company, in connection with proposed merger of Reva Proteins Limited (hereinafter referred to as "RPL") with the Company.

**1. PURPOSE OF SHARE EXCHANGE REPORT BY THE VALUER**

- 1.1 The Board of Directors of NGIL, has considered and approved the Scheme of Amalgamation at their meeting held on 3<sup>rd</sup> February, 2018 providing for merger of RPL with NGIL. As consideration for the merger, NGIL would issue redeemable preference shares to the equity shareholders of RPL. The appointed date for the purpose of merger is April 1, 2017. NGIL holds 1,40,60,520 equity shares representing 74.55% of the total equity share capital of RPL. NGIL also holds 1,25,00,000 Optionally Convertible Non-Cumulative Preference Shares of RPL. The existing share capital of RPL held by NGIL is proposed to be cancelled as part of the proposed merger.





- 1.2 In this regard, SSPA & Co. (Chartered Accountants) was appointed by the Company to recommend a Share Exchange Ratio for the proposed merger.
- 1.3 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 regulation 37 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations 2015') read with SEBI Circular CFD/DIL3/CIR/2017/21, dated March 10, 2017 and SEBI Circular CFD/DIL3/CIR/2018/2, dated January 2, 2018 ('SEBI Circular').

## 2. BRIEF BACKGROUND OF COMPANIES

### 2.1 NITTA GELATIN INDIA LIMITED

- 2.1.1 Nitta Gelatin India Limited (hereinafter referred to as 'NGIL') is Indo-Japanese joint venture between Kerala State Industrial Development Corporation Ltd., India and Nitta Gelatin Inc., Japan.
- 2.1.2 NGIL is engaged in the manufacture and sale of Gelatin, Ossein, Di Calcium Phosphate (DCP), Ossein (Limed), Chitosan and Collagen Peptide, which are used in various applications, including water treatment, healthcare, personal care, food products and animal feed. NGIL's plants are located in Kerala at Koratty, Kusumagiri, and Cherthala Taluk.
- 2.1.3 The equity shares of NGIL are listed on BSE Limited.
- 2.1.4 NGIL has invested approx. INR 28.40 crores through 1,40,60,520 equity shares (74.55% of the total equity share capital in RPL) and INR 12.50 crores through 1,25,00,000 Non-Cumulative Optionally Convertible Preference Shares (hereinafter referred to as the 'OCNCPS') in RPL.

### 2.2 Reva Proteins Limited

- 2.2.1 Reva Proteins Limited is engaged in the manufacture and sale of Limed Ossein, Ossein, Di Calcium Phosphate (DCP) and 8% Di Calcium Phosphate. Its manufacturing facility is situated at Bharuch, Gujarat.
- 2.2.2 Post FY 2015-16, business model of RPL has changed from a job processor (job work services) to an independent manufacturer and seller.





2.2.3 Further, the products manufactured by RPL are primarily supplied to its group companies.

2.2.4 Current equity shareholding pattern of the Company is as follows:

Name of shareholders	Shares	% of holding
Nitta Gelatin India Limited	1,40,60,520	74.55%
Nitta Gelatin Inc., Japan	48,00,000	25.45%
Total	1,88,60,520	100.00%

### 3. SOURCES OF INFORMATION

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

- (a) Draft Scheme of Amalgamation u/s. 230 to 232 of the Companies Act, 2013 (and to the extent applicable provisions of the Companies Act, 1956)
- (b) Certified Report on Recommendation of Share Exchange Ratio for the Merger of RPL with NGIL dated 3<sup>rd</sup> February, 2018, issued by SSPA & Co (Chartered Accountants)
- (c) Certified Copy of Certificate of Incorporation and Memorandum and Articles of Association of NGIL and TLL
- (d) Audited Financial Statements of NGIL and RPL for the financial year ('FY') ended March 31, 2017.
- (e) Management certified Provisional Financial Statements of RPL for the 6 months period ended September 30, 2017 ('6ME Sep 17').
- (f) Financial Projections of RPL comprising of Balance Sheet and Statement of Profit and Loss for FY 2017-18 to FY 2022-23 as provided by the Management.
- (g) Discussions with the Management on various issues relevant for the valuation including the prospects and outlook for the industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc.


- (h) Other relevant details regarding the Companies such as their history, their promoters, past and present activities, future plans and prospects, existing shareholding pattern and other relevant information and data as provided by the Management.
- (i) Other such information and explanations as were required and which have been provided by SSPA & Co (Chartered Accountants).
- (j) Information available in the public domain.

#### 4. EXCLUSIONS AND LIMITATIONS

- 4.1 Conclusions reached by us are dependent on the information provided to us being complete & accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. We have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our certificate.
- 4.2 No investigation of the Companies' claim to title of assets has been made by us for the purpose of this exercise and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the account. Therefore, no responsibility is assumed for matters of a legal nature.
- 4.3 This certificate is prepared with a limited purpose / scope as identified / stated earlier and will be confidential being for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.
- 4.4 Our opinion is not, nor should it be construed as our opining or certifying the compliance of proposed merger with the provision of any law including Companies



The image shows a handwritten signature in black ink over a circular stamp. The stamp contains the text 'SSPA & Co. Chartered Accountants' around the perimeter. The signature appears to be 'M. B. ...'.





Taxation and other regulatory provisions or as regards any legal implications or issues arising thereon. Our opinion also does not address any matters otherwise than as expressly stated herein, including but not limited to matters such as corporate governance matters, shareholder rights or any other equitable considerations. We have also not opined on the fairness of any terms and conditions of the scheme other than the fairness, from financial point of view, of the Share Exchange Ratio

- 4.5 We do not express any opinion as to the price at which shares of the Company may trade at any time, including subsequent to the date of this opinion. In rendering our opinion, we have assumed, that the scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary Regulatory or third-party approvals for the Scheme, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Companies.
- 4.6 The Fairness Opinion is addressed only to the Board of Directors of Companies and is for the purpose of submission to the Stock Exchanges under the SEBI Circular. Further, the Fairness Opinion may be disclosed on the website of Companies and the Stock Exchanges and also be made part of the explanatory statement to be circulated the shareholders and/or creditors of the Company. The Fairness Opinion shall not otherwise be disclosed or referred to publicly or to any other third party without Inga Capital's prior written consent. The Fairness Opinion should be read in totality and not in parts.
- 4.7 In no circumstances however, will Inga Capital or its directors, officers, employees and controlling persons of Inga Capital accept any responsibility or liability including any pecuniary or financial liability to any third party.
- 4.8 Further, this Fairness Opinion should not be used or quoted for any purpose other than the purpose mentioned hereinabove. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then we will not be liable for any consequences thereof. Neither this Fairness Opinion nor its contents may be referred to or quoted to / by any third



*Mr. B. P. Parvathi*



party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

**5. CONCLUSION**

- 5.1 We have reviewed the approach used by the Valuer for recommending of share Exchange Ratio for the merger.
- 5.2 On the basis of the foregoing points read with regulation 37 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations 2015') and in terms of SEBI Circular CFD/DIL3/CIR/2017/21, dated March 10, 2017 and SEBI Circular CFD/DIL3/CIR/2018/2, dated January 2, 2018 ('SEBI Circular'), we are of the opinion that the recommendation made by SSPA & Co. (Chartered Accountants) is fair & reasonable with regards to Exchange Ratio for merger of RPL with NGIL which is as under:

**100 (One Hundred) redeemable preference shares of face value of INR 10/- each fully paid up in NGIL for every 108 (One Hundred Eight) equity shares of face value of INR 10/- each fully paid-up in RPL**

Thanking you,

Yours faithfully,

For Inga Capital Limited


**Mihir B Pandhi**  
Senior Manager  
Place: Mumbai

## Annexure 5



**Nitta Gelatin India Limited**

(Formerly Kerala Chemicals and Proteins Limited)

Joint venture of Kerala State Industrial Development Corporation Ltd. and Nitta Gelatin Inc.

Post Box 4262  
54/1446 SBT Avenue  
Panampilly Nagar  
Cochin - 682 036 India  
Tel: 0484 3099444, 2317805  
Fax: 0484 2316588  
Email: ro@nittagelatin.com

GELATIN DIVISION  
Post Box 3109  
PO Info Park, Kakkannad  
Cochin - 682 042 India  
Tel: 0484 3099333, 2415506  
Fax: 0484 2415504  
Email: gdg@nittagelatin.com

OSSEIN DIVISION  
PO Kathakudam  
(Via) Koratty  
Trichur - 680 308 India  
Tel: 0480 3099333, 2719499  
Fax: 0480 2719943  
Email: os@nittagelatin.com

CIN : L24299KL1975PLC002691

Website : www.gelatin.in

### REPORT OF THE BOARD OF DIRECTORS OF NITTA GELATIN INDIA LIMITED ON THE DRAFT SCHEME OF ARRANGEMENT AND AMALGAMATION BETWEEN REVA PROTEINS LIMITED AND NITTA GELATIN INDIA LIMITED PURSUANT TO THE PROVISIONS OF SECTION 232(2)(c) OF THE COMPANIES ACT, 2013

#### I. Background

I. A meeting of the Board of Directors ("Board") of Nitta Gelatin India Ltd. was held on 3rd February, 2018 to consider and approve the draft Scheme of Merger and Amalgamation of Reva Proteins Limited ("RPL") with its Holding Company Nitta Gelatin India Limited ("NGIL") under Sections 230 to 232 read with sections 13, 14 and 61 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act ("Scheme"). The Scheme entails the following:

- a) the merger and amalgamation of Reva Proteins Ltd with its Holding Company, Nitta Gelatin India Ltd with effect from 1st April, 2017, being the Appointed Date and the consequential alteration of authorised share capital clause in the Memorandum and Articles of Association of Nitta Gelatin India Limited with effect from the Appointed Date viz., 1st April, 2017, in accordance with the draft Scheme of Merger and Amalgamation between Nitta Gelatin India ltd and Reva Proteins Ltd and their respective shareholders and creditors ("Scheme") duly initialed by the Chairman for the purpose of identification and
- b) issue of Redeemable Preference Shares by Nitta Gelatin (India) Limited to the other equity shareholders of Reva Proteins Limited, other than NGIL as per the terms and conditions mentioned in the Scheme;

II. The Appointed Date for Merger and Amalgamation under the Scheme is 1st April, 2017. NGIL hold 74.55% of the equity share capital of RPL as on 31st March, 2018. The pre and post Scheme equity shareholding pattern of NGIL shall remain unchanged. The post Scheme preference shareholding pattern of NGIL shall be changed on issue of Redeemable Preference Shares as envisaged under the Scheme.

III. In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of the scheme, the Transferee Company shall subject to the provisions of Clause 20,21 and 22 of the Scheme, without any further application, act, instrument or deed issue and allot to Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the Register of Members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up.

IV. In terms of Section 232 (2)(c) of the Act, a report from the Board of the Company explaining the effect of the Scheme on each class of shareholders, key managerial



personnel, promoters, and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further the said report has to specify any special valuation difficulties, if any in the valuation. This report of the Board is made in order to comply with the requirements of Section 232 (2)(c) of the Act.

V. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record the following documents:

- a) Draft Scheme of Merger and Amalgamation of Reva Proteins Ltd with Nitta Gelatin India Ltd;
- b) Valuation report dated 3rd February, 2018 issued by SSPA & Co., Chartered Accountants.
- c) Fairness Opinion dated 3rd February 2018 issued by INGA Capital Limited, Independent (Category - I) SEBI registered Merchant Banker, providing the fairness opinion on the Valuation Report ("Fairness Opinion"); and
- d) Report of Audit Committee dated 3rd February 2018, recommending the Scheme after taking into consideration, inter alia, the Valuation Report, Auditor's Certificate and Fairness Opinion.

## 2. Rational of the Scheme

The Scheme shall enable the Transferee Company to reap several benefits including:

- i) Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
- ii) optimal utilization of resources and better working capital management;
- iii) overall cost efficiencies;
- iv) greater integration and operational synergy;
- v) seamless availability of technical expertise;
- vi) greater level of synergy in the Goods and Service Tax (GST) regime;
- vii) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
- viii) Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present.
- ix) Balance sheet becomes stronger;
- x) streamlining the group structure and rationalization;
- xi) developing stronger base for future growth

## 3. Valuation

The report on valuation has been obtained from SSPA & Co., Chartered Accountants, Independent Valuer. The valuation have been arrived at based on the various methodologies explained in the Report and various qualitative factors relevant to the business and the business dynamics and growth potentials of the business, having regard to information base, key underlying assumptions and limitations. The valuation has been reviewed for fairness by INGA Capital Limited, Independent (Category - I) SEBI registered Merchant Banker.



The consideration of 44,44,444 Redeemable Preference Shares of Rs 10each, credited as fully paid up of the Transferee Company, in the share exchange ratio of One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up, has been approved by the management after taking into consideration the Valuation Report dated 3rd February, 2018 issued by SSPA & Co., Chartered Accountants, certifying the fair share exchange ratio.


**4. Effect of Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders:**

The Scheme of Merger and Amalgamation is between NGIL, the Holding Company and its subsidiary, RPL. Towards consideration, NGIL will issue Redeemable Preference Shares to the equity shareholders of RPL other than NGIL. Since consideration is offered through Redeemable Preference Shares and the equity shareholding pattern is remain unchanged post merger, the scheme will not have any adverse impact on the equity shareholders. Further, there is capital restructuring by way of issue of new class of Preference Shares i.e. Redeemable Preference Shares (RPS). Therefore, the Scheme does not have any seen impact on the Equity Shareholders. Since NGL, Japan will be the only class of preference shareholder, the scheme will have no adverse effect on them too. Further, there will be no adverse effect of the said Scheme on Key Managerial Personnel, Promoters, and Non-Promoter Shareholders of the Company.

By Order of the Board for Nitta Gelatin India Ltd



03.02.2018

  
G. Rajesh Kurup  
Company Secretary



## Reva Proteins Limited

Regd. Office: 54/1446  
SBT Avenue, Panampilly Nagar  
Cochin - 682 036, India  
Tel : 0484 2317805, 3099444  
Fax : 0484 2310556  
E-mail : sahas@nitagelindia.com

CIN NO : U24295KL2009PLC024529

Plot No. 832, 832 1 & 2  
GIDC Mega Industrial Estate  
Post Bag No. 37, Jhagadia GIDC  
P.O. Jhagadia, Bharuch Dist.  
Gujarat - 393 110, India  
Tel - 02645-228806 / 7  
E-mail : accounts@revaproteins.com  
purchase@revaproteins.com

### REPORT OF THE BOARD OF DIRECTORS OF REVA PROTEINS LIMITED ON THE DRAFT SCHEME OF ARRANGEMENT AND AMALGAMATION BETWEEN REVA PROTEINS LIMITED AND NITTA GELATIN INDIA LIMITED PURSUANT TO THE PROVISIONS OF SECTION 232(2)(c) OF THE COMPANIES ACT, 2013

#### 1. Background

I. A meeting of the Board of Directors ("Board") of Reva Proteins Ltd. was held on 3rd February, 2018 to consider and approve the draft Scheme of Merger and Amalgamation of Reva Proteins Limited ("RPL") with its Holding Company Nitta Gelatin India Limited ("NGIL") under Sections 230 to 232 read with sections 13, 14 and 61 of the Companies Act, 2013 ("Act") and other applicable provisions of the Act ("Scheme"). The Scheme entails the following:

- a. the merger and amalgamation of Reva Proteins Ltd with its Holding Company, Nitta Gelatin India Ltd with effect from 1st April, 2017, being the Appointed Date and the consequential alteration of authorised share capital clause in the Memorandum and Articles of Association of Nitta Gelatin India Limited with effect from the Appointed Date viz., 1st April, 2017, in accordance with the draft Scheme of Merger and Amalgamation between Nitta Gelatin India Ltd and Reva Proteins Ltd and their respective shareholders and creditors ("Scheme") duly initiated by the Chairman for the purpose of identification and
- b. issue of Redeemable Preference Shares by Nitta Gelatin (India) Limited to the other equity share- holders of Reva Proteins Limited, other than NGIL as per the terms and conditions mentioned in the Scheme;

II. The Appointed Date for Merger and Amalgamation under the Scheme is 1st April, 2017. NGIL hold 74.55% of the equity share capital of RPL as on 31st March, 2018. The pre and post Scheme equity shareholding pattern of NGIL shall remain unchanged. The post Scheme preference shareholding pattern of NGIL shall be changed on issue of Redeemable Preference Shares as envisaged under the Scheme.

III. In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of the scheme, the Transferee Company shall subject to the provisions of Clause 20, 21 and 22 of the Scheme, without any further application, act, instrument or deed issue and allot to Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the Register of Members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10 each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up.

IV. In terms of Section 232 (2)(c) of the Act, a report from the Board of the Company explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders has to be appended with the notice of the meeting of shareholders and creditors. Further the said report has to



specify any special valuation difficulties, if any in the valuation. This report of the Board is made in order to comply with the requirements of Section 232 (2)(c) of the Act.

V. While deliberating on the Scheme, the Board had, inter-alia, considered and took on record the following documents:

- a. Draft Scheme of Merger and Amalgamation of Reva Proteins Ltd with Nitta Gelatin India Ltd;
- b. Valuation report dated 3rd February, 2018 issued by SSPA & Co., Chartered Accountants and
- c. Report of Audit Committee dated 3rd February 2018, recommending the Scheme.

## 2. Rational of the Scheme

The Scheme shall enable the Transferee Company to reap several benefits including:

- i. Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
- ii. optimal utilization of resources and better working capital management;
- iii. overall cost efficiencies;
- iv. greater integration and operational synergy;
- v. seamless availability of technical expertise;
- vi. greater level of synergy in the Goods and Service Tax (GST) regime;
- vii. Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
- viii. Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present.
- ix. Balance sheet becomes stronger;
- x. streamlining the group structure and rationalization;
- xi. developing stronger base for future growth

## 3. Valuation

The report on valuation has been obtained from SSPA & Co., Chartered Accountants, Independent Valuer. The valuation have been arrived at based on the various methodologies explained in the Report and various qualitative factors relevant to the business and the business dynamics and growth potentials of the business, having regard to information base, key underlying assumptions and limitations.

The consideration of 44,44,444 Redeemable Preference Shares of Rs 10 each, credited as fully paid up of the Transferee Company, in the share exchange ratio of One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) Equity Shares of RPL of INR 10/- each fully paid up, has been approved by the management after taking into consideration the Valuation Report dated 3rd February, 2018 issued by SSPA & Co., Chartered Accountants, certifying the fair share exchange ratio.

4. Effect of Scheme on each class of Shareholders, Key Managerial Personnel, Promoters and Non-Promoter Shareholders:



The Scheme of Merger and Amalgamation is between NGIL, the Holding Company and its subsidiary, RPL. Towards consideration, NGIL will issue Redeemable Preference Shares to the equity shareholders of RPL other than NGIL. All the Equity shares and Optionally Convertible Preference shares held by the holding Company Nitta Gelatin India Limited will be cancelled and as against the Equity shares held by NGI, Japan, Redeemable Preference Shares are issued to them by the holding Company post merger. Hence, the scheme will not have any adverse impact on the equity shareholders. Upon coming into effect of the Scheme, the directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. The Scheme will not affect any directorship of a person who is already director in the Transferee Company. Further, there will be no adverse effect of the said Scheme on Key Managerial Personnel, Promoters, and Non-Promoter Shareholders of the Company.

By Order of the Board for Reva Proteins Ltd

  
G. Rajesh Kurup  
Company Secretary

03.02.2018







DCS/AMAL/50/R37/1281/2018-19

September 28, 2018

The Company Secretary,  
 NITTA GELATIN INDIA LTD  
 54/1446, SBT Avenue,  
 Panampilly Nagar, Kochi,  
 Kerala- 682038

Sir,

**Sub: Observation letter regarding the Draft Scheme of Amalgamation of Nitta Gelatin India Ltd with Reva Proteins Ltd and their Respective Shareholders and Creditors.**

We are in receipt of Draft Scheme of Amalgamation of Nitta Gelatin India Ltd with Reva Proteins Ltd and their Respective Shareholders and Creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated September 26, 2018, has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall ensure that a statement is inserted in the scheme in compliance with Minimum Public Shareholding (MPS) requirement on fully diluted basis."
- "Company shall ensure that applicable information pertaining to unlisted Company- Reva Proteins Ltd is included in abridged prospectus as per specified format."
- "Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company shall duly comply with various provisions of the Circulars."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

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

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

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



BSE Limited (Formerly Bombay Stock Exchange Ltd.)  
 Registered Office: Hour 25 (F) Tower, C-1, Sector 18, Gurgaon 122001, India  
 T: +91 22 2272 1234(031) E: [enquiries@bseindia.com](mailto:enquiries@bseindia.com) | [www.bse-sensex.com](http://www.bse-sensex.com)  
 Corporate Identity Number: 16712014-000591-C1-05188

(2)

shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

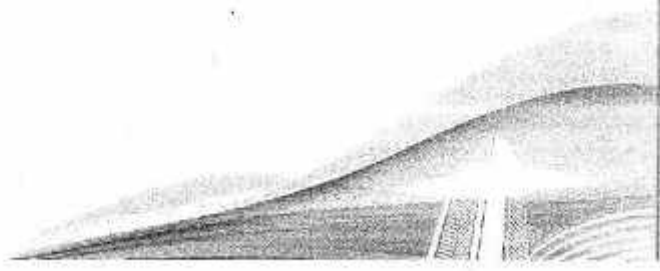
Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

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

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

Yours faithfully,

*SD*  
  
Nidinkumar Pujari  
Senior Manager



Annexure 7



**Nitta Gelatin India Limited**

(Formerly Kerala Chemicals and Proteins Limited)  
 Joint venture of Kerala State Industrial Development Corporation Ltd. and Nitta Gelatin Inc.

Post Box 4262  
 547446 SST Avenue  
 Panampilly Nagar  
 Cochin - 682 035 India  
 Tel : 0484 3039444, 2317905  
 Fax : 0484 2310568  
 Email : rc@nittagelatin.com

GELATIN DIVISION  
 Post Box 3109  
 PO Info Park, Kakkanad  
 Cochin - 682 042 India  
 Tel : 0484 3095333, 2415505  
 Fax : 0484 2415504  
 Email : gd@nittagelatin.com

OSSEIN DIVISION  
 PO Kathikulangam  
 (W) Kerala  
 Trichur - 680 308 India  
 Tel : 0480 3099333, 2719490  
 Fax : 0480 2719943  
 Email : od@nittageIndia.com

CIN : L24299KL1975PLC002691

Website : www.gelatin.in

**Report on Complaints**

**Part A**

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

**Part B**

Sr. No	Name of Complainant	Date of Complaint	Status (Resolved/Pending)
1	Not Applicable		
2			
3			

Place: Ernakulam

Date: 27/09/2018

For NITTA GELATIN INDIA LIMITED  
  
 G. RAJESH KURUP (ACS No: 8453)  
 Company Secretary



Annexure 8

<b>Pre and Post Merger Equity Shareholding Pattern- Nitta Gelatin India Limited</b>				
<b>Category</b>	<b>Pre Merger Equity Shares</b>		<b>Post Merger Equity Shares</b>	
A. Promoter	No. of Shares	% of Holding	No. of Shares	% of Holding
Nitta Gelatin Inc. Japan	3900300	42.96	3900300	42.96
Kerala State Industrial Development Corporation	2862220	31.53	2862220	31.53
Total A	6762520	74.49	6762520	74.49
B. Public	2316640	25.51	2316640	25.51
C. Custodian	-	-	-	-
<b>Total A+B+C</b>	<b>9079160</b>	<b>100</b>	<b>9079160</b>	<b>100</b>

<b>Pre and Post Merger Equity Shareholding Pattern- Nitta Gelatin India Limited</b>				
<b>Category</b>	<b>Pre Merger Equity Shares</b>		<b>Post Merger Equity Shares</b>	
A. Promoter	No. of Shares	% of Holding	No. of Shares	% of Holding
Nitta Gelatin Inc. Japan				
1. Optionally Convertible Equity Shares	929412	100	929412	100
2. Redeemable Equity Shares	Nil		44,44,444	100
Kerala State Industrial Development Corporation	-	-	-	-
Total A	929412	100	5373856	100
B. Public	-	-	-	-
C. Custodian	-	-	-	-
<b>Total A+B+C</b>	<b>929412</b>	<b>100</b>	<b>5373856</b>	<b>100</b>

Annexure 9

<b>Pre and Post Merger Equity Shareholding Pattern- Reva Proteins Limited</b>				
<b>Category</b>	<b>Pre Merger Equity Shares</b>		<b>Post Merger Equity Shares</b>	
D. Promoter	No. of Shares	% of Holding	No. of Shares	% of Holding
Nitta Gelatin India Limited	14060520	74.55	Merged	
Nitta Gelatin Inc. Japan	4800000	25.45		
Total A	18860520	100		
E. Public	-	-		
F. Custodian	-	-		
<b>Total A+B+C</b>	<b>18860520</b>	<b>100</b>		

<b>Pre and Post Merger Equity Shareholding Pattern- Reva Proteins Limited</b>				
<b>Category</b>	<b>Pre Merger Equity Shares</b>		<b>Post Merger Equity Shares</b>	
D. Promoter	No. of Shares	% of Holding	No. of Shares	% of Holding
Nitta Gelatin India Limited 3. Optionally Convertible Equity Shares	12500000	100	Merged	
Nitta Gelatin Inc. Japan	-	-		
Total A	12500000	100		
E. Public	-	-		
F. Custodian	-	-		
<b>Total A+B+C</b>	<b>12500000</b>	<b>100</b>		



November 05, 2018

The Board of Directors  
Nitta Gelatin India Limited  
50 / 1002, Panampilly Nagar,  
Ernakulam, Kerala – 682036

Dear Sir / Madam,

Subject: Scheme of Amalgamation of Reva Proteins Limited with Nitta Gelatin India Limited and their respective shareholders ("Scheme").

This has reference to the request made by the management of Nitta Gelatin India Limited ("NGIL") in connection with certifying the accuracy and adequacy of disclosures pertaining to Reva Proteins Limited made in the abridged prospectus, prepared by Nitta Gelatin India Limited to be sent to the shareholders of Nitta Gelatin India Limited and Reva Proteins Limited, pursuant to the Scheme.

The Reva Proteins Limited (Transferor Company) is a Subsidiary of Nitta Gelatin India Limited (Transferee Company) with 74.6% equity stake and the balance held by Nitta Gelatin Inc. Japan (NGI, Japan). The Transferee Company is also holding 100% Optionally Convertible Preference Share (OCPS) Stake in Transferor Company. The shares of the Transferor Company are not listed any stock exchanges. The Transferor Company is primarily engaged in the business of manufacturing of limes Ossein, Ossein, Dicalcium Phosphate and 8% dicalcium Phosphate. The Scheme involves transfer and vesting of Undertaking of Transferor Company in the Transferee Company, Upon the Scheme becoming effective, the equity shares and Optionally Convertible Preference Shares (OCPS) held by the Transferee Company, in the Transferor Company will stand cancelled and as a consideration for the merger, the Transferee Company to issue redeemable preference shares to equity shareholders other than NGIL.

We have been provided the abridged prospectus pertaining to Reva Proteins Limited ("Abridged Prospectus", enclosed herewith) as prepared by Nitta Gelatin India Limited. The Abridged Prospectus will be circulated to the members of Nitta Gelatin India Limited and Reva Proteins Limited at the time of seeking their approval to the Scheme as part of the explanatory statement to the notice.

Based on the information, undertakings, certificates, confirmations and documents provided to us by NGIL and Reva Proteins Limited, we hereby confirm that the information contained in the Abridged Prospectus is accurate and adequate in terms of the paragraph 3(a) of Annexure 1 of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 (SEBI Circular read with the format provided in Part D of Schedule VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and SEBI Circular CIR/CFD/DIL/7/2015 dated October 30, 2015, as applicable (Abridged Prospectus Format).

The above confirmation is based on the information furnished and explanations provided to us by the management of NGIL and Reva Proteins Limited assuming the same is complete and accurate in all material aspects on an as is basis. We have relied upon financials, information and representations furnished to us on an as is basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express





an opinion on the fairness of any such financial information referred to in the Abridged Prospectus. This Certificate is a specific purpose certificate issued in terms of the SEBI Circular and hence, it should not be used for any other purpose or transaction. This certificate is not, nor should it be construed to be, a certification of compliance of the Scheme with the provisions of applicable law including company, taxation and securities markets related laws or as regards to any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

We express no opinion whatsoever and make no recommendation at all as to the Company's underlying decision to effect the Scheme or as to how the holders of equity shares should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Scheme or its success. We also express no opinion, and accordingly, accept no responsibility as to the financial performance of NGIL or Reva Proteins Limited following the consummation of the Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders / investors should buy, sell or hold any stake in the Company.

For Inga Advisors Private Limited

  
Authorised Signatory

Name: S. Karthikeyan  
SEBI Registration No. INM000012573



**APPLICABLE INFORMATION IN THE FORMAT SPECIFIED FOR ABRIDGED PROSPECTUS  
 (AS PROVIDED IN PART D OF SCHEDULE VIII OF THE ICDR REGULATIONS)**

Abridged Prospectus/ Memorandum containing information pertaining to the unlisted company, Reva Proteins Limited (hereinafter referred as "Reva" or "Transferor Company") which is a party to the Scheme of Merger and Amalgamation proposed to be made between Nitta Gelatin India Limited (hereinafter referred as "NGIL" or "Transferee Company") and the said Reva Proteins Limited which is a Subsidiary of NGIL and their respective shareholders and Creditors pursuant to Section 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the "Scheme")

This document is prepared pursuant to paragraph I.A.3(a) of Annexure I of the Securities and Exchange Board of India ("SEBI") Circular bearing number CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular") and Regulation 37 of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015 ("LODR") read with the said SEBI Circular and contains the applicable information in the format for abridged prospectus as provided in Part D of Schedule VIII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR"). You are also encouraged to read the other details in the Scheme and other documents available on the website of NGIL.

THIS ABRIDGED PROSPECTUS CONSISTS OF 7 (SEVEN) PAGES. PLEASE ENSURE YOU HAVE READ ALL THE PAGES.

**REVA PROTEINS LIMITED**

Registered Office: 50 / 1002 ,Panampilly Nagar, Ernakulam, Kerala – 682036  
 Contact Person: G Rajesh Kurup  
 Phone No: 91 484 3099444, 2317805  
 Email: rajeshkurup@nittagelindia.com  
 Corporate Identity Number- U24295KL2009PLC024529  
 Factory: Plot no. 832, GIDC Industrial Estate, Jhagadia 393 110, Dist. Bharuch, Gujarat, India

**NAME OF THE PROMOTERS OF THE COMPANY**

<b>Name</b>	: Nitta Gelatin India Limited	<b>Name</b>	: Nitta Gelatin Inc.
<b>PAN</b>	: AABCK1582H	<b>PAN</b>	: AACCN4562F
<b>Address</b>	: 54/1446, SBT Avenue, Panampilly Nagar Cochin 682 036, India	<b>Address</b>	: 4-26, Sakuragawa, 4-Chome, Naniwa-ku, Osaka- 556-0022 Japan





**CONSIDERATION UNDER THE SCHEME OF MERGER AND AMALGAMATION AND LISTING DETAILS**

In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of this scheme, the Transferee Company shall issue and allot to the Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the register of members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs. 10 each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) equity shares of RPL of INR 10/- each fully paid up.

Redeemable Preference Shares will not be listed on any Stock Exchanges.

**STATUTORY AUDITORS**

Name: Varma & Varma, Ernakulam  
"Sreeraghavam"  
Kerala Varma Tower Building No.53/2600 B, C, D & E  
Off. Kunjanbava Road  
Vytilla, Kochi 682019  
Ph: 0484 2302223, Fax: 0484 2306046  
Email id: kochi@varmaandvarma.com



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**PROMOTERS OF REVA PROTEINS LIMITED**

Brief of Nitta Gelatin (India) Limited and Nitta Gelatin Inc, Japan

NGIL was incorporated on 30.04.1975 under the provisions of the Companies, Act 1956 vide certificate of incorporation of even date issued by the Registrar of Companies. NGIL has its registered office at 50 / 1002, Panampilly Nagar, Ernakulam, Kerala - 682036, India. The CIN number of the Company is L24299KL1975PLC002691. Its name has been changed from Kerala Chemicals and Proteins Limited to Nitta Gelatin India Limited effect from 02.06.2008. The equity shares of NGIL are listed and traded on BSE Limited. NGIL is engaged in the business of production and marketing of Ossein, Gelatin, Collagen Peptide, Dicalcium Phosphate, Chitosan, Nutrigold, Seedaaid and Carti pep.

Shareholding Pattern of NITTA GELATIN INDIA LTD. as at September 30, 2018

**Equity Shares**

S. No.	Name of Shareholders	No of Shares	Percentage of holding
1	Nitta Gelatin Inc. Japan	39,00,300	42.96
2	Kerala State Industrial Development Corpn	28,62,220	31.52
3	Public	23,16,640	25.52
	Total	90,79,160	100.00

Nitta Gelatin Inc

NGI Japan is an MNC having its place of business at Osaka Japan engaged in Gelatin manufacture and marketing among others. They are also listed for the shares, in the Tokyo Stock exchange. The major shareholders are as given herein below:-

Shareholding Pattern of NITTA GELATIN INC. as at September 30, 2018

S. No.	Name of Shareholders	No of Shares	Percentage of holding
1	IBP Co.	35,00,116	19.05
2	Master Trust Bank of Japan, T.	10,52,700	5.73
3	Nitta Corp.	8,40,014	4.57
4	Sumitomo Mitsui Banking	6,30,286	3.43
5	MUFG Bank	6,21,074	3.38
6	Employees' Stockholding	4,95,900	2.70
7	Japan Trustee Services, T.	3,95,100	2.15
8	Ishizuka Corp.	3,90,914	2.13
9	Resona Bank	3,34,672	1.82
10	Japan Trustee Services, T5	2,68,100	1.46
11	Others (7762 nos)	98,45,098	53.58
	Total	183,73,974	100.00

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## BUSINESS MODEL OVERVIEW AND STRATEGY

RPL was incorporated on July 30, 2009 under the provisions of the Companies, Act 1956 vide certificate of incorporation dated July 30, 2009 issued by the Registrar of Companies. RPL is an unlisted public limited company, having its registered office at 50 / 1002, Panampilly Nagar, Ernakulam, Kerala - 682036, India.

RPL is authorised by its Memorandum of Association to carry on the business of "To manufacture, import, export, trade and deal, in Ossein and products and components of Ossein, Di Calcium Phosphate and products and components of Di Calcium Phosphate, Gelatin and products and components of Di Calcium Phosphate, Gelatin and products and components of Gelatin, Glue and its related products and components, raw material for Ossein including Degreased Bone and Crushed Bone and related products viz, tallow, Bone Meal and other bone products, meat and meat products, other components used for the manufacture of Gelatin like Chitosan, Fish oil etc, organic manure and other derivatives and components and by products obtained during the course of manufacture of the above and run slaughter houses, independently or in Joint ventures."

RPL is a subsidiary of NGIL and is engaged in manufacture and sale of Ossein, Limed Ossein, Di Calcium Phosphate (DCP and 8% Di Calcium Phosphate. RPL's manufacturing facility is situated at Bharuch, Gujarat;

Post the FY 2015-16, the business model of RPL has changed from a Job Processor (Job work services) for NGIL to an independent manufacturer and seller.

On coming into effect of the proposed Scheme, RPL will merge with NGIL and the existing Optionally Convertible Preference shares of RPL held by NGIL shall stand cancelled.

## BOARD OF DIRECTORS

Details of Board of Directors of Reva Proteins Limited				
S.No	Name	PAN / DIN	Designation	Other directorship
1	Kumara Panicker Lalitha Kumar	00004804	Director	Nil
2	Sajiv Menon Kumar	00168228	Director	1. Nitta Gelatin India Limited 2. Bamni Proteins Limited
3	Vijayan Menon	01141134	Director	Our Investments Enterprise Limited
4	Mattappillil Thankappan Binilkumar	03161942	Nominee Director	1. Calicut Granites Pvt Ltd 2. Rubber Wood India Private Limited 3.Hill Country Hotels And Resorts India Limited
5	Bhargaviamma Shajimohan	03409101	Director	Nil
6	Mattathil Antony Xavier	07117456	Managing Director	Nil
7	Parameswaran Sahasranaman	07644126	Director	Bamni Proteins Limited
8	Shinya Takahashi	07809828	Director	1. Nitta Gelatin India Limited 2. Bamni Proteins Limited



#### Brief Experience of the Directors

1. Kumara Panicker Lalitha Kumar : Mr. K L Kumar had a long stint in corporate sector comprising 15 years in engineering consultancy services besides 22 years, service with Kochi Refineries limited(KRL) of which 12 years was as its Chairman and MD. He was an Independent Director of the Company.
2. Sajiv Menon Kumar : Mr. Sajiv K. Menon had a long tenure of more than 33 years' experience in various capacities in Engineering and Chemical Industries before taking charge as Managing Director of NGIL on 01.04.2014.
3. Vijayan Menon : Mr. Vijayan Menon served in the Ministry of corporate Affairs (MCA) Government of India, spanning over 30 years, in various capacities, before retiring as Joint Director, Office of the Regional Director.
4. Mattappillil Thankappan Binilkumar : Mr. M T Binilkumar has varied experience working with the Govt. owned Kerala state Industrial Development Corporation Ltd .(KSIDC). He is presently Asst. General Manager in KSIDC, Cochin Office.
5. Bhargavamma Shajimohan : Mr. B Shaji Mohan has 33 years of experience working with NGIL, presenting in the capacity an Executive Director (CO)
6. Mattathil Antony Xavier : Mr. M. A Xavier has vast experience in the holding Company ie Nitta Gelatin India Ltd. He is currently holding the post of Managing Director in Reva Proteins Limited.
7. Parameswaran Sahasranaman : Mr. P. Sahasranaman has 18 years post qualification experience in the Finance & Accounts of Nitta Gelatin India Limited under various capacities. Now working as its CFO.
8. Shirya Takahashi : Dr. Shinya Takahashi held various positions in NGL, Japan before acting as their General Manager (QA) before joining the Board of Directors of NGIL as its Whole time Director designated as Director (Technical).



**CAPITAL STRUCTURE AND SHAREHOLDING PATTERN**

Capital Structure	Amount in INR
Particulars	
Authorised Share Capital	
2,00,00,000 Equity Shares of Rs.10 each	20,00,00,000
2,00,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	20,00,00,000
<b>Total</b>	<b>40,00,00,000</b>
Issued Subscribed and Paid up	
1,88,60,520 Equity Shares of Rs.10 each	18,86,05,200
1,25,00,000 Optionally convertible Non-cumulative Preference Share of Rs.10 each	12,50,00,000
<b>Total</b>	<b>31,36,05,200</b>

**Equity Shares**

S. No.	Name of Shareholders	Pre Scheme holding of Shares	Percentage of holding
1	Nitta Gelatin India Limited (Promoter)	1,40,60,520	74.55
2	Nitta Gelatin Inc. Japan	48,00,000	25.45
	Total	1,88,60,520	100.00

**Optionally Convertible Preference Shares**

S. No.	Name of Shareholders	Pre Scheme holding of Shares	Percentage of holding
1	Nitta Gelatin India Limited (Promoter)	12,50,00,000	100.00
	Total	12,50,00,000	100.00



**AUDITED FINANCIALS**

<b>Standalone</b>					
	As on March 31, 2018*	As on March 31, 2017*	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014
Revenue from Operations	263,263,627	329,283,879	65,020,090	77,266,500	126,886,563
Other Income	3,046,454	5,182,064	2,920,751	641,769	3,147,999
Total Revenues	266,310,081	334,465,943	67,940,841	77,908,269	130,034,562
Net Profit / Loss before tax and extraordinary items	(127,081,349)	(87,187,144)	(94,116,974)	(70,862,584)	(23,106,026)
Extraordinary items	-	-	-	10,529,864	-
Net Profit / Loss after tax and extraordinary items	(127,081,349)	(87,187,144)	(94,116,974)	(81,392,448)	(23,106,026)
Equity Share Capital (Issued Subscribed & Paid Up)	188,605,200	188,605,200	188,605,200	188,605,200	188,605,200
Reserves and Surplus (other equity)	(200,431,009)	(73,222,909)	(74,830,951)	19,286,023	100,678,471
Net Worth	(11,825,809)	115,382,291	238,774,249	207,891,223	289,283,671
Basic Earnings per Share (INR)	(6.74)	(4.62)	(4.13)	(4.32)	(1.23)
Diluted Earnings Per Share (INR)	(6.74)	(4.62)	(4.13)	(4.32)	(1.23)
Return on Net Worth %	-1074.61%	-75.56%	-39.42%	-39.15%	-7.99%
Net Asset Value per Share (INR)	-0.63	6.12	6.03	11.02	15.34

Note:

1. Information has been taken from Annual Reports of Reva Proteins for all the above periods
2. For the year ended March 31, 2018 and March 31, 2017 are based on Ind AS
3. Net worth has been calculated by For the year ended 31<sup>st</sup> March 2016 – Networth is the sum of Equity capital + Preference Capital + Reserves & Surplus. For other years – Networth is the sum of Equity capital + Other Equity
4. Basic EPS and Diluted EPS has been calculated by – Net profit/(Loss) for the year divided by Weighted Average No. of Equity shares.
5. Return on Net Worth % - Net profit/(Loss) for the period divided by Net Worth X 100
6. Net Asset Value per Share (INR) calculated – Net worth less preference capital , if any, divided by No of Equity shares



## DETAILS OF SCHEME AND RATIONALE OF THE SCHEME

### Scheme Summary

The Transferor Company is a Subsidiary of Transferee Company with 74.6% equity stake and the balance held by Nitta Gelatin Inc. Japan (NGI, Japan). The Transferee Company is also holding 100% Optionally Convertible Preference Share (OCPS) Stake in Transferor Company. The shares of the Transferor Company is not listed any stock exchanges. The Transferor Company is primarily engaged in the business of manufacturing of limes Ossein, Ossein, Dicalcium Phosphate and 8% dicalcium Phosphate. Upon the Scheme becoming effective, the equity shares and Optionally Convertible Preference Shares (OCPS) held by the Transferee Company, in the Transferor Company will stand cancelled and as a consideration for the merger, the Transferee Company to issue redeemable preference shares to equity shareholders other than NGIL.

In consideration of the transfer and vesting of undertaking of the Transferor Company in the Transferee Company in terms of this scheme, the Transferee Company shall issue and allot to the Equity Shareholders other than NGIL of the Transferor Company whose name is entered in the register of members of the Transferor Company on the Record Date a total of 44,44,444 Redeemable Preference Shares of Rs 10 each, credited as fully paid up of the Transferee Company, in the following share exchange ratio;

- One Hundred (100) Redeemable Preference Shares of NGIL of INR 10/- each fully paid up for every One Hundred and Eight (108) equity shares of RPL of INR 10/- each fully paid up.

### Rationale of the Scheme

The Scheme shall enable the Transferee Company to reap several benefits including:

- (i) Synergy of operations for achieving organization effectiveness and control and achieving economies of scale;
- (ii) optimal utilization of resources and better working capital management;
- (iii) overall cost efficiencies;
- (iv) greater integration and operational synergy;
- (v) seamless availability of technical expertise;
- (vi) greater level of synergy in the Goods and Service Tax (GST) regime;
- (vii) Simplification of corporate structure by reducing the number of legal entities and reorganizing the legal entities in the group structure.
- (viii) Significant reduction in the multiplicity of legal, regulatory reporting and compliances required at present
- (ix) Balance sheet becomes stronger;
- (x) streamlining the group structure and rationalization;
- (xi) developing stronger base for future growth.





#### **RISK FACTORS RELATED TO REVA PROTEINS LIMITED**

1. Process water availability depends on water level in Narmada River. During less rain period water availability can affect production and thereby performance of the Company.
2. The Scheme of Merger and Amalgamation is subject to
  - (i) The Scheme being approved by the requisite majorities of the various classes of members (where applicable) of the Transferor Company and the Transferee Company as required under the Act, or dispensation having been received from the Tribunal in relation to obtaining such approval from the members, and the requisite orders of the Tribunal being obtained in this regard and with the support of the simple majority of the public shareholders of the Transferee Company, being a listed entity;
  - (ii) The Scheme being approved by majority of the public shareholders through postal ballot and e-voting as per the requirements in terms of Part I(A)(9)(a) and (b) of Annexure I of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.
  - (iii) the Tribunal having accorded its sanction to the Scheme;
  - (iv) the receipt of pre-filing and post sanction approvals of the Stock Exchanges and SEBI in terms of the SEBI Scheme Circulars, as applicable; and
  - (v) the authenticated or certified copies of the order of the Tribunal approving the Scheme being filed with the Registrar of Companies, Kerala.

In case any of the above approval / sanction are not received the proposed Scheme of Merger and Amalgamation will not be completed, which will adversely impact Reva Proteins ability to conduct its business activities as contemplated in the said Scheme of Merger and Amalgamation.

#### **SUMMARY OF OUTSTANDING LITIGATION**

- a. Litigation against the Company- NIL
- b. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the promoters in the last 5 years including outstanding action, if any - NIL
- c. Brief details of outstanding criminal proceedings against Promoters – NIL

#### **MATERIAL EVENTS / DEVELOPMENTS IN LAST THREE YEARS IN THE COMPANY**



- Common Effluent discharge line to sea commissioned in July 2017 and made available to RPL for use.
- Revised CCA received from GPCB for water discharge to sea; in July 2017.
- Consent received from GPCB to increase water usage from 1180 to 1380 m<sup>3</sup>/day.
- DCP production started from July 2017 subsequent to stoppage of 8% DCP.
- Plant approval certificate from Capexil in 2016.

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**DECLARATION**

We hereby declare that all relevant provisions of SEBI Circular bearing No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Part D of Schedule VIII of SEBI (ICDR) Regulations, 2009 have been complied with and no statement made in this document is contrary to the said provisions. We further certify that all statements in this document are true and correct.

<p>For <b>REVA PROTEINS LIMITED</b></p> <p> M. A. Xavier MANAGING DIRECTOR</p> <p>Place: Kochi Date : 29.10.2018</p>	<p>For <b>RETA GELATIN (INDIA) LIMITED</b></p> <p> Sajiv K. Menon MANAGING DIRECTOR</p> <p>Place: Kochi Date : 29.10.2018</p>
---	--



# Walker Chandiook & Co LLP

Walker Chandiook & Co LLP  
7th Floor, Madayil Centre Point  
Warriam Road Jn., M G Road  
Kochi 682016  
India

T +91 484 4064541

## Independent Auditor's Review Report on Quarterly Financial Results of Nitta Gelatin India Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of Nitta Gelatin India Limited

1. We have reviewed the accompanying statement of unaudited financial results ('Statement') of Nitta Gelatin India Limited ('the Company') for the quarter ended 30 June 2018, being submitted by the Company pursuant to the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Chartered Accountants

Offices in Bangalore, Chandigarh, Chennai, Coimbatore, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Walker Chandiook & Co LLP is registered with Ministry of Corporate Affairs with identification number AIC 2015 and its registered office at L-11, Connaught Place, New Delhi, 110001, India

## Walker Chandiook & Co LLP

4. We draw attention to note 3 to the financial results, regarding the Company's non-current equity investment in subsidiary and advances given aggregating to INR 1,318 lakhs and INR 829 lakhs respectively as at 30 June 2018, which are considered as fully recoverable by the management based on the projected operations and expected future cash flows of the subsidiary company, which are dependent on certain assumptions and estimates considered by the management, the appropriateness of which is dependent upon the realisation of the related business plans. Our opinion is not modified in respect of this matter.

*Walker Chandiook & Co LLP*  
For Walker Chandiook & Co LLP  
Chartered Accountants  
Firm Registration No: 001076N/N500013

  
Krishnakumar Ananthasivan  
Partner  
Membership No.: 206229



Place: Kochi  
Date: 2 August 2018

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( ₹ in lakhs, except per share data)

Statement of unaudited standalone financial results for the quarter ended 30 June 2018					
Sl No	Particulars	Quarter ended			Year ended
		30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
		✓ Unaudited	Unaudited (Refer Note 5)	Unaudited	Audited ✓
1	<b>Income from operations</b>				
	(a) Revenue from operations	6,235	8,864	6,221	32,644
	(b) Other income	16	92	80	437
	<b>Total Income</b>	<b>6,251</b>	<b>8,956</b>	<b>6,301</b>	<b>33,081</b>
2	<b>Expenses</b>				
	(a) Cost of materials consumed	2,166	4,188	4,289	18,112
	(b) Purchases of stock-in-trade	-	-	-	117
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	821	185	(1,053)	(1,479)
	(d) Excise duty on sales (Refer Note 1)	-	-	197	197
	(e) Employee benefits expense	773	744	715	3,023
	(f) Finance Costs	91	24	112	366
	(g) Depreciation and amortization expense	279	345	271	1,191
	(h) Other expenses	1,533	2,662	1,971	9,320
	<b>Total Expenses</b>	<b>6,063</b>	<b>8,148</b>	<b>6,502</b>	<b>30,847</b>
	<b>Profit/ (Loss) before exceptional items and tax (1-2)</b>	<b>188</b>	<b>808</b>	<b>(201)</b>	<b>2,234</b>
4	Exceptional items	-	-	-	-
5	<b>Profit/ (Loss) before tax (3 - 4)</b>	<b>188</b>	<b>808</b>	<b>(201)</b>	<b>2,234</b>
6	Tax expense				
	- Current tax	90	331	22	1,095
	- Deferred tax	(23)	(71)	(94)	(318)
7	<b>Profit/(Loss) for the period/ year (5 - 6)</b>	<b>121</b>	<b>548</b>	<b>(129)</b>	<b>1,457</b>
8	<b>Other comprehensive income/ (loss) (net of tax expense)</b>				
	(i) Items that will not be reclassified to profit or loss	-	(38)	1	(37)
	(ii) Items that will be reclassified subsequently to profit or loss	(68)	(93)	20	(34)
	<b>Other comprehensive income/ (loss) (net of tax expense)</b>	<b>(68)</b>	<b>(131)</b>	<b>21</b>	<b>(71)</b>
9	<b>Total Comprehensive income/ (Loss) for the period/ year (7 + 8)</b>	<b>53</b>	<b>417</b>	<b>(108)</b>	<b>1,386</b>
10	Paid-up equity share capital (Face value ₹ 10/share )	908	908	908	908
11	Other Equity				14,021
12	<b>Earnings/ (loss) per Share (not annualized for the quarter)</b>				
	a) Basic: (₹)	1.33	4.59	(1.43)	15.27
	b) Diluted: (₹)	1.33	4.59	(1.43)	15.27

**Notes:**

- These financial results have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. According to the requirements of SEBI (Listing and Disclosure Requirements) Regulations 2015 and IND AS, revenue for three months ended 30th June 2017 and year ended 31st March 2018, are reported inclusive of excise duty. The Government of India had implemented Goods and Service Tax (GST) from 1st July 2017 replacing Excise Duty, Service Tax and various other indirect taxes. As per IND AS, the revenue for the period 1st July 2017 to 31st March 2018 and three months ended 30th June 2018 and three months ended 31st March 2018, are reported net of GST. The Company is engaged in the manufacture and sale of products which form part of one product group which represents one operating segment, as the Chief Operating Decision Maker (CODM), reviews business performance at an overall company level and hence disclosure requirement under Ind AS 108 on "Operating Segment" is not applicable.
- The Board of Directors has approved a scheme of merger of its subsidiary company - Reva Proteins Limited with the company, in their meeting held on 03rd February 2018 in view of the operational synergies emerging out of the said restructuring. The scheme provides for issuance of 44,44,444 Nos of Redeemable Preference shares of Rs. 10/- each to Nitta Gelatin Inc., as consideration for their equity holding of 48,00,000 shares in Reva Proteins Limited. The merger is proposed to be undertaken through a Scheme of amalgamation under Section 230-232 of the Companies Act, 2013 to be filed with the National Company Law Tribunal with the appointed date 1st April 2017 or as may be directed by the National Company Law Tribunal and is subject to approval by the shareholders, lenders, creditors & other applicable regulatory approvals in this regard. The Company has filed an application before the Bombay Stock Exchange and is awaiting approval from them for the said merger. Further, the operations of the subsidiary is in line with the projections of the management and in view of the above and the cash flows that will be generated in the near future, no provision has been considered necessary for the remaining value of equity investments amounting to Rs.1318 Lakhs and loans and advances amounting to Rs. 829 Lakhs due from the said subsidiary.
- Based on the evaluation made by the Company, there were no significant adjustments required to be made to the retained earnings as at 1st April 2018 under the modified retrospective approach, on IND AS 115 - "Revenue from Contracts with Customers" which has replaced the existing IND AS related thereto and is mandatory for reporting on or after 1st April 2018. The application of IND AS 115 did not have any significant impact on recognition and measurement of revenue and related terms in the financial results for the quarter ended 30th June 2018.
- Figures for the quarter ended 31st March 2018 represent the balancing figures between the audited figures for the full financial year and published year to date figures up to third quarter of the financial year.
- The above financial results, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 2nd August 2018 and the limited review of the same has been carried out by the statutory auditors of the company.
- Prior period comparatives have been regrouped/reclassified wherever necessary. The management has exercised necessary due diligence to ensure that the financial results give a true and fair view.

Kochi  
2nd August 2018



For Nitta Gelatin India Limited

Sajiv K. Manoj  
Managing Director  
DIN : 00168228

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**REVA PROTEINS LIMITED**  
**BALANCE SHEET AS AT 30th June, 2018**

Particulars	Note No.	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a. Share Capital	2.01	18,86,05,200	18,86,05,200
b. Reserves and Surplus	2.02	(21,08,38,999)	(10,22,81,597)
<b>2 Non-current liabilities</b>			
a. Long-term Borrowings	2.03	22,56,18,213	25,20,97,950
b. Long-term Provisions	2.04	17,30,780	9,17,905
<b>3 Current Liabilities</b>			
a. Short-term Borrowings	2.05	4,74,53,086	5,98,30,116
b. Trade Payables	2.06		
(i) Total outstanding dues of micro enterprises and small enterprises			
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		8,33,98,340	1,59,29,299
c. Other Current Liabilities	2.07	14,84,89,094	17,21,48,042
<b>Total</b>		<b>48,44,55,714</b>	<b>58,72,46,915</b>
<b>II. ASSETS</b>			
<b>1 Non-current Assets</b>			
a. Fixed Assets	2.08		
i. Tangible Assets		35,65,37,183	35,01,49,805
ii. Intangible Assets		13,89,466	18,35,896
iii. Intangible Assets under Development			
iv. Capital Work-in-progress		17,50,645	1,92,13,238
b. Non-current Investments	2.09	41,40,000	41,40,000
c. Long-term Loans and Advances	2.10	1,80,86,225	1,92,97,631
<b>2 Current Assets</b>			
a. Inventories	2.11	5,53,81,942	9,45,31,214
b. Trade Receivables	2.12	69,88,450	4,78,25,264
c. Cash and Cash Equivalents	2.13	3,26,98,716	4,79,06,899
d. Short-term Loans and Advances	2.14	63,98,224	9,07,022
e. Other Current Assets	2.15	10,84,863	14,39,946
<b>Total</b>		<b>48,44,55,714</b>	<b>58,72,46,915</b>

The accompanying notes form an integral part of the financial statements

As per  
our report of even  
date attached

For and on behalf of the Board of Directors



For REVA PROTEINS LIMITED

*P. Sahasranaman*  
P. SAHASRANAMAN  
Director

For REVA PROTEINS LIMITED

*G. Rajeshkurup*  
G. RAJESHKURUP  
Company Secretary

Place: Kochi - 19  
Date: 02.08.2018

**REVA PROTEINS LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 30th June, 2018**

Particulars	Note No.	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>Income</b>			
I. Revenue from operations	2.16	9,75,46,155	6,64,89,739
Less : Excise duty		-	-
Revenue from operations (net)		<u>9,75,46,155</u>	<u>32,92,83,879</u>
II. Other Income	2.17	9,25,237	1,15,673
III. <b>Total Revenue</b>		<u>9,84,71,392</u>	<u>6,66,05,412</u>
<b>IV. Expenses:</b>			
a. Cost of materials consumed	2.18	5,45,65,221	4,74,88,166
b. Changes in inventories of finished goods, work-in-progress and Stock-in-trade	2.19	(69,57,790)	20,74,022
c. Employee benefits expense	2.20	61,53,533	46,03,148
d. Finance costs	2.21	75,33,502	79,45,267
e. Depreciation and amortisation expense	2.01	59,64,937	59,55,854
f. Other expenses	2.22	4,16,19,979	3,15,36,110
<b>Total Expenses</b>		<u>10,88,79,382</u>	<u>9,96,02,567</u>
V. <b>Loss before tax (III-IV)</b>		<u>(1,04,07,990)</u>	<u>(3,29,97,155)</u>
<b>VI. Tax expense:</b>			
a. Current tax		-	-
VII. <b>Loss for the period (V - VI)</b>		<u>(1,04,07,990)</u>	<u>(3,29,97,155)</u>
<b>VIII. Earnings per equity share (Rs):</b>			
Nominal value of share Rs. 10/- (Rs. 10/-)			
a. Basic		<u>(0.55)</u>	<u>(1.60)</u>

Significant Accounting Policies and Notes on Accounts

1&2

As per  
our report of even  
date attached

For and on behalf of the Board of Directors

For REVA PROTEINS LIMITED

  
P. SAHASRANAMAN  
Director

For REVA PROTEINS LIMITED

  
G. RAJESHKURUP  
Company Secretary

Place: Kochi - 19  
Date: 02.08.2018

**Significant Accounting Policies and Notes on accounts for the financial year ended 30th June, 2018**

**1. Significant Accounting Policies**

**a. Basis of Accounting**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**b. Use of Estimates**

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known /

**c. Revenue Recognition**

Sales are recognized on transfer of title of the goods to the customers. Export incentives are recognized on exports on accrual basis, (except when there are significant uncertainties) based on the estimated realizable value of such entitlements. Other income is recognized on accrual basis, (except when there are significant uncertainties) and income from job charges is recognized on completed service method.

**d. Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non-refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and an initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located, if any.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

If the Company has acquired a Property, Plant and Equipment on deferred term basis and terms are beyond normal credit terms, property plant and equipment will be recognized on cash price equivalent, i.e. discounted amount.

The cost of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work In Progress.

**e. Intangible Assets**

Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.

**f. Depreciation/ Amortisation**

i. Depreciation on Plant and Machinery (Other than Service Equipments) is provided on SLM basis and for Service Equipments and other assets, is provided on Written Down Value method based on the useful life of fixed assets prescribed under Schedule II of the Companies Act, 2013, which is subject to review by the management at the year-end.

ii. Lease Premium on Land is amortised over the period of lease.

iii. Software costs treated as Intangible Assets is amortised over a period of five years.

**g. Investments**

Non Current Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

**h. Inventories**

Inventories are valued at lower of cost or net realizable value, item wise. For this purpose, the cost of bought-out inventories comprise of the purchase cost of the items, net of applicable tax/duty credits and cost of bringing such items into the factory on a weighted average basis. The cost of manufactured inventories comprises of the direct cost of production plus appropriate overheads. The net realizable value of bought out inventories is

**i. Employee Benefits**

**i. Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and recognized in the period in which the employee renders the related service.

**ii. Defined Contribution Plans**

The company has defined contribution plan for employees, i.e. for Provident Fund. The contributions paid/payable to this plan during the year are charged to the Statement of Profit and Loss for the year.

**iii. Defined Benefit Plans : Gratuity**

The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost, if any, is recognized in the accounts. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

**iv. Long Term Employee Benefits: Compensated Absences**

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

**v. Termination Benefits**

Termination benefits are recognized in the Statement of Profit and Loss for the period in which the same accrue.





- j Income Tax**  
Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Deferred Tax assets / liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years. Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognized if there is a virtual certainty that sufficient future taxable income will be available to realize the same.  
MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.
- k Borrowing Costs**  
Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalized. Other borrowing costs are recognized as expenditure for the period in which they are incurred.
- l Earnings per share**  
Basic/diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/diluted potential equity shares outstanding as at the end of the year, as the case may be.
- m Impairment of Assets**  
The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognized in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.
- n Provisions, Contingent Liabilities and Contingent Assets**  
Provisions are recognized when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current management estimates. Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.  
Contingent assets are neither recognized nor disclosed in the accounts.
- o Foreign Currency Transactions**  
Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities other than forward contracts, outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the said date. The exchange gain/loss arising during the year are recognized in the Statement of Profit and Loss.

## 2 Notes on Accounts

### 2.01 Share Capital:

Particulars	As at 30.06.2018		As at 30.06.2017	
	No. of shares	Rs.	No. of shares	Rs.
<b>Authorised:</b>				
20,000,000 (20,000,000) Equity Shares of Rs. 10/- each		20,00,00,000		20,00,00,000
20,000,000 (20,000,000) Optionally Convertible Non Cumulative Preference Shares of Rs.10/- each		20,00,00,000		20,00,00,000
		40,00,00,000		40,00,00,000
<b>Issued and Subscribed and fully paid:</b>				
18,860,520 (18,850,520) Equity Shares of Rs. 10/- each		18,86,05,200		18,86,05,200
12,500,000 (12,500,000) 6% Optionally Convertible Non Cumulative Preference Shares of Rs.10/- each				
		18,86,05,200		18,86,05,200

#### Reconciliation of shares outstanding at the beginning and at the end of the financial year

Particulars	As at 30.06.2018		As at 30.06.2017	
	No. of shares	Rs.	Number of shares	Rs.
<b>a) Equity shares</b>				
As at the beginning of the financial year		18,86,05,200	1,88,60,520	18,86,05,200
As at the end of the financial year		18,86,05,200	1,88,60,520	18,86,05,200

b) Preference shares			
As at the beginning of the financial year		1,25,00,000	12,50,00,000
Add : Issue of shares during the year			
As at the end of the financial year		1,25,00,000	12,50,00,000

**Particulars of Shareholders holding more than 5% in the Company**

1. Equity shares	As at 30.06.2018		As at 30.06.2017	
	%	No. of shares	%	No. of shares
Nitta Gelatin India Limited, Holding Company	#	1,40,60,520	74.55	1,40,60,520
Nitta Gelatin Inc, Japan	#	48,00,000	25.45	48,00,000

2. Preference shares				
Particulars	As at 30.06.2018		As at 30.06.2017	
	%	No. of shares	%	No. of shares
Nitta Gelatin India Limited, Holding Company	#	0	100.00	1,25,00,000

**Particulars of shares held by Holding Company**

Particulars	As at 30.06.2018		As at 31.03.2017	
	(Rupees)		(Rupees)	
Nitta Gelatin India Limited, Holding Company				
14,060,520 (14,060,520) Equity Shares of Rs. 10/- each		14,06,05,200		14,06,05,200
12,500,000 (12,500,000) 6% Optionally Convertible Non-Cumulative Preference Shares of Rs. 10/- each		0		12,50,00,000

**Terms/ Rights attached to Equity Shares**

The company has only one class of equity shares with a face value of Rs. 10/- each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

**Terms/ Rights attached to Preference Shares**

The company has issued only one class of Optionally Convertible Non-Cumulative Preference Shares with a face value of Rs. 10/- each. Each holder of Preference share is entitled to one vote per share on a resolution placed before the Company, which directly affect the rights attached to Preference share holders. Each holder of Preference share is entitled to preferential right to a fixed dividend of 6% per annum on the face value of Preference Shares, on a non-cumulative basis.

The preference shares shall be convertible into equal number of equity shares of Rs 10/- each within six years from the date of allotment (i.e 23.03.2016), in one or more financial years, at a price of Rs 10/- each. All outstanding Optionally Convertible Non-Cumulative Preference Shares, which are not converted into equity shares at the end of sixth year from the date of allotment (i.e within 23.03.2022) shall be redeemable at par in two equal tranches respectively at the end of 7th and 8th year commencing from the date of allotment of Optionally Convertible Non-Cumulative Preference Shares.



**2.02 Reserves and Surplus**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Securities Premium	21,54,07,800	21,54,07,800
Add: additions during the year on account of shares issued under ESPS Scheme		
Closing Balance	21,54,07,800	21,54,07,800
Capital Investment Subsidy		
Special Export Reserve (under the Income Tax Act, 1961)		
General Reserve		
Opening Balance		
Add: Transfer from Surplus		
Closing Balance		
Hedge Equalisation Reserve		
Opening Balance		
Add: Net gain / ( Loss ) recognised on cash flow hedges		
Less: Net gain / ( Loss ) reclassified to Statement of Profit and Loss during the year		
Equity component of compound financial instrument Surplus/(Deficit) in Statement of Profit and Loss	6,96,06,078	2,94,89,372
Opening Balance		
Loss for the year as per Statement of Profit and Loss	(48,55,04,887)	(36,45,82,214)
Less: Less:	(1,04,07,990)	(3,29,57,155)
Amount available for Appropriation	(49,59,12,877)	(39,75,79,369)
Less: Appropriations		
Final Dividend		
Tax on Final Dividend		
Transfer to General Reserve		
Proposed Dividend ( See Note 2.02.1 & 2.02.2 )		
Tax on Proposed Dividend		
Closing Balance	(49,59,12,877)	(39,75,79,369)
	(21,08,38,999)	(10,22,81,597)

**2.03 Long Term Borrowings**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Secured Loans		
- Term Loans		
From HDFC Bank ( See Note 2.03.2 )+other banks-	54,57,978	80,57,549
From other parties - KSIDC ( See Note 2.03.3 and 2.03.4 )	8,52,04,068	10,96,94,091
Unsecured Loans		
- Loans and advances from Related parties		
From Nitta Gelatin Inc, Japan ( See Note 2.03.5 )	6,39,96,217	8,08,46,310
Preference Shares Liability (IND AS)	7,09,59,950	5,35,00,000
	22,56,18,213	25,20,97,950

2.03.1 Current Maturities of Long term debt are mentioned under the head Other Current Liabilities in Note no. 2.07

2.03.2 Secured by way of exclusive first charge over the fixed assets financed out of the term loan, second charge over the existing fixed assets of the company and Corporate Guarantee of the Holding Company - M/s Nitta Gelatin India Limited.  
The loan is repayable in 72 equated monthly installments (including interest), commencing from 07.06.2015 in the following manner:

Period	Amount in Rs
From, March 2016 to May 2016	1,16,667
From, June 2016 to April 2021	2,73,029
In May 2021	34,588

2.03.3 (a) Secured by way of exclusive first charge over the fixed assets of the company including leasehold assets, both present and future and Corporate Guarantee of the Holding Company - M/s Nitta Gelatin India Limited.  
The principal is repayable in 22 equal monthly installments, commencing from 11.03.2017 in the following manner:

Period	Amount in Rs
From, March 2017 to March 2022	54,00,000
In June 2022	53,50,000

(b) Interest is payable as and when applied. Interest Rate is 10.50% p.a

2.03.4 (a) Secured by way of single mortgage by way of extension of exclusive first charge all the leasehold property held under lease deed no. 1237 of 2010 dated 07/07/2010, SRO Jhagadia and Corporate Guarantee of the Holding Company - M/s Nitta Gelatin India Limited.  
The principal is repayable in 28 equal monthly installments, commencing from 11.03.2017 in the following manner:

Period	Amount in Rs
From, March 2017 to December 2019	6,25,000
From, December 2019 to December 2022	12,50,000
From, March 2022 to December 2023	18,75,000

(b) Interest is payable as and when applied. Interest Rate is 12.50% p.a

2.03.5 Details of Unsecured Loan - Terms of Repayment

(a) The principal is repayable in 20 equal quarterly installments, commencing from 15.09.2018 in the following manner:

Period	Amount in Rs
From, September 2018 to June 2023	45,00,000

(b) Interest is payable on quarterly basis along with principal at 6 months USD LIBOR Rate + 5.00 % p.a.

2.04 Long-term Provisions

Particulars	As at 30.06.2018	As at 30.06.2017
	Rupees	Rupees
Provision for Employee Benefits (See Note 2.04.1)	17,30,780	9,17,905
	17,30,780	9,17,905



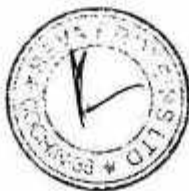
2.05 Short-term Borrowings	As at 30.06.2018	As at 30.06.2017
Particulars	Rupees	Rupees
Working Capital Loan from Banks (Secured) (See Note 2.05.1)		
STATE BANK OF INDIA	4,74,53,086	5,98,30,116
KSIDC - Term Loan		-
KSIDC - Working Capital Loan		-
State Bank of Travancore		-
HDFC Bank - Term Loan		-
Term Loan from Banks (Secured) (See Note 2.06.2)		
From Others:		
Loan from Related Party (Unsecured)		
	<b>4,74,53,086</b>	<b>5,98,30,116</b>

**2.05.1 Security offered on the above loan is as under :**

- a. Primary Security - first charge on the entire current assets of the company, both present and future.
- b. Collateral security - on the entire fixed assets of the company, both present and future
- c. Corporate Guarantee - of the Holding Company - M/s Nitta Gelatin India Limited.

2.06 Trade Payables	As at 30.06.2018	As at 30.06.2017
Particulars	Rupees	Rupees
(i) Total outstanding dues of micro enterprises and small enterprises	8,33,98,340	1,59,29,299
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		<b>1,59,29,299</b>
(iii) Total outstanding dues of creditors-NGIL		
	<b>8,33,98,340</b>	<b>1,59,29,299</b>

**2.06.1** The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2005. Based on available information, there are no balances outstanding as payable to such suppliers at the year end. In the opinion of the management there are no amounts paid / payable towards interest under the said statute.



**2.07 Other Current Liabilities**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Current maturities of long term borrowings ( See Note 2.03.1 and 2.03.2 )	4,01,39,335	2,63,21,373
Interest accrued and due on borrowings	-	14,02,010
Interest accrued but not due on borrowings	-	3,24,234
Other Payables -		
- Advance from Customers	10,73,71,426	14,16,21,545
- Claim payable towards materials damaged in processing	-	-
- Statutory Dues	5,96,787	5,11,253
- Deposits	3,81,546	14,62,074
- Creditors for Capital Goods	-	5,05,552
	<b>14,84,89,094</b>	<b>17,21,48,041</b>

**2.09 Non-current Investments**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Investment in Equity Instruments (at Cost)-Long Term (Unquoted, Trade):		
- Narmada CleanTech Limited	-	-
4,14,000 (3,54,000) fully paid up equity shares of Rs 10/- each	41,40,000	41,40,000
<b>Aggregate amount of unquoted investments</b>	<b>41,40,000</b>	<b>41,40,000</b>

**2.10 Long-term Loans and Advances**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>Unsecured (Considered Good)</b>		
Capital Advance	-	-
Income Tax	-	-
Prepaid Lease Rental	2,80,467	19,19,475
Security Deposits	-	-
	<b>1,78,05,758</b>	<b>1,73,78,156</b>
	<b>1,80,86,225</b>	<b>1,92,97,631</b>

**2.10.1** In terms of the Accounting Standard on Accounting for Taxes on Income (AS 22), deferred tax asset (net) has not been recognised in the accounts, as a matter of prudence, in the absence of virtual / reasonable certainty of future taxable profits.

**2.11 Inventories**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Raw Materials	-	-
Work-in-progress	52,69,231	1,27,86,063
Finished Goods	1,92,04,781	4,39,46,790
Stores & Spares	2,15,03,900	2,74,22,150
Loose Tools	88,84,756	98,46,619
Others - Packing Materials	1,31,897	1,31,897
	<b>3,87,397</b>	<b>3,97,695</b>
	<b>5,53,81,942</b>	<b>9,45,31,214</b>

**2.11.1** Method of Valuation of Inventories - Refer 1(h) of Significant Accounting Policies.

Note 2.08 - FIXED ASSETS & CAPITAL WORK IN PROGRESS

Particulars	Gross Block (at cost)			Depreciation			Net Block	
	As at 01.04.2018	Additions	Disposals/ Adjustments	As at 30.06.2018	For the year	Disposals/ Adjustments	As at 30.06.2018	As at 30.06.2017
<b>FIXED ASSETS:</b>								
(i) Tangible Assets (Property, Plant & Equipment)								
Lease hold Land (Refer Note No. 2.01.01)	6,22,69,322 (6,22,69,322)	-	-	6,22,69,322 (6,22,69,322)	1,51,477 (1,51,901)	-	53,27,768 (47,16,317)	5,75,50,805 (5,72,71,629)
Building	16,33,24,141 (13,22,91,611)	-	-	16,33,24,141 (13,22,91,611)	21,52,370 (21,91,281)	-	7,33,27,288 (6,40,55,766)	8,82,25,845 (8,82,25,845)
Plant and Equipment	34,21,15,395 (32,30,75,728)	1,99,792 (91,351)	4,77,327	34,18,37,860 (32,31,67,079)	33,74,321 (31,82,742)	3,27,584	13,33,16,224 (12,06,37,282)	20,23,29,797 (21,10,14,764)
Office Equipment	34,84,834 (33,72,284)	-	39,862	34,45,152 (34,59,915)	70,936 (1,60,867)	46,535	29,36,621 (24,05,612)	5,08,531 (14,38,266)
Furniture and Fixtures	17,75,089 (17,60,089)	-	35,590	17,21,499 (17,73,990)	53,495 (54,987)	43,657	11,61,991 (9,86,035)	5,59,508 (7,89,055)
<b>TOTAL</b>	<b>57,29,68,761</b> <b>(54,27,69,034)</b>	<b>1,99,792</b> <b>(1,93,963)</b>	<b>5,70,579</b>	<b>57,25,97,974</b> <b>(54,29,63,017)</b>	<b>58,02,999</b> <b>(57,41,778)</b>	<b>4,17,773</b>	<b>21,60,69,892</b> <b>(19,28,13,212)</b>	<b>35,65,37,183</b> <b>(35,01,49,405)</b>
<b>PREVIOUS YEAR</b>								
(ii) Intangible Assets								
Software	31,37,709 (25,47,709)	-	-	31,37,709 (25,47,709)	1,61,938 (2,14,076)	-	17,48,243 (7,11,813)	13,89,466 (18,35,896)
<b>TOTAL</b>	<b>31,37,709</b>	<b>-</b>	<b>-</b>	<b>31,37,709</b> <b>(25,47,709)</b>	<b>1,61,938</b> <b>(2,14,076)</b>	<b>-</b>	<b>17,48,243</b> <b>(7,11,813)</b>	<b>13,89,466</b> <b>(18,35,896)</b>
<b>PREVIOUS YEAR</b>								
(iii) Capital Work in progress								
Improvements to Leasehold land	-	-	-	-	-	-	-	-
Building under Construction	82,629 (14,61,819)	-	-	82,629 (14,61,819)	-	-	82,629 (14,61,819)	14,61,819 (14,61,819)
Plant and Equipment under Installation	-	16,68,016 (5,10,382)	-	16,68,016 (1,77,51,419)	-	-	16,68,016 (1,77,51,419)	1,77,51,419 (1,69,17,639)
<b>TOTAL</b>	<b>82,629</b> <b>(1,87,02,856)</b>	<b>16,68,016</b> <b>(5,10,382)</b>	<b>-</b>	<b>17,50,645</b> <b>(1,92,13,238)</b>	<b>-</b>	<b>-</b>	<b>17,50,645</b> <b>(1,92,13,238)</b>	<b>1,92,13,238</b> <b>(1,89,17,606)</b>
<b>PREVIOUS YEAR</b>								
(iv) Intangible assets under development	-	-	-	-	-	-	-	-
Software	(16,88,947)	(6,87,176)	(23,76,123)	-	-	-	-	(16,88,947)



2.12 Trade Receivables	As at 30.06.2018	As at 30.06.2017
Particulars	Rupees	Rupees
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Unsecured, Considered Good	-	-
Unsecured, Considered Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
Others (Unsecured, Considered Good)	69,88,450	4,78,25,264
	<b>69,88,450</b>	<b>4,78,25,264</b>

2.13 Cash and Cash Equivalents	As at 30.06.2018	As at 30.06.2017
Particulars	Rupees	Rupees
Balance with Banks:		
In Current Accounts	33,86,078	43,17,587
In Deposit Accounts	2,91,29,060	4,33,91,588
Cash on hand	1,83,578	1,97,724
	<b>3,26,98,716</b>	<b>4,79,06,899</b>

2.13.1 Cash and cash equivalents at the end of the year includes balance with banks in deposit accounts with a maturity period of more than 12 months of Rs Nil (Rs Nil).





**2.14 Short-term Loans and Advances**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>(Unsecured, Considered Good)</b>		
Advance to Related Parties:		
- Reva Proteins Limited (Subsidiary Company)		-
- Due from Reva Proteins Limited (Subsidiary Company)		-
Others:		
- Advances recoverable in cash or in kind or for value to be received,	1,75,697	1,65,347
- Vehicle/Computer loan to employees		-
- Education loan to employees		-
- Loan to employees		-
Prepaid Lease Rentals		
- Deposits	2,39,850	2,11,850
- Balances with Central Excise, Customs Sales Tax etc.	59,82,677	5,29,825
	<b>63,98,274</b>	<b>9,07,022</b>

**2.15 Other Current Assets**

Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Interest Accrued on Deposits	4,67,928	2,19,967
Old Machinery held for Sale		-
Assets held for disposal		-
Export Incentive		
- Duty Drawback	6,63,267	12,56,555
Less: Provision for Claims Disputed		-
- Duty Entitlement Pass Book [See Note 2.17.2]		-
- Export Incentive - Status Holder Incentive Scrip		-
Claims recoverable - Reva Proteins Ltd, Subsidiary Company		-
Marked to market Gain ( net ) on forward contract recognized		-
Others	46,332	-
<b>Total</b>	<b>10,84,863</b>	<b>14,39,946</b>

<b>2.16 Revenue from operations</b>		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>Sale of Products</b>		
Gross Sales	9,75,46,392	6,60,16,439
<b>Sale of Services</b>		
Income from Job Charges		
<b>Other Operating Revenues</b>		
Export Incentive	(237)	473300
- Duty Entitlement Pass Book		
- Duty Drawback	237	
- Status Holder Incentive Scrip		
Provision / sundry balances written back		
Conversion charges	(237)	
	<b>9,75,46,155</b>	<b>6,64,89,739</b>
<b>Less: Excise Duty collected on domestic sales</b>	<b>9,75,46,155</b>	<b>6,64,89,739</b>
<b>2.17 Other Income</b>		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Interest Income	8,35,707	43,023
Sale of Scrap	88,530	72,650
Foreign Exchange Rate Variation (net)		
Other non operating Income		
	<b>9,25,237</b>	<b>1,15,673</b>
<b>2.18 Cost of materials consumed</b>		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Opening Stock	51,76,243	1,98,34,674
Add: Purchases	5,46,58,209	4,04,39,355
	<b>5,98,34,452</b>	<b>6,02,74,229</b>
Less: Closing Stock	52,69,231	1,27,86,063
	<b>5,45,65,221</b>	<b>4,74,88,166</b>
<b>2.19 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
<b>Closing Stock</b>		
Finished Goods	2,15,03,900	2,74,22,150
Work-in-progress	1,92,04,781	4,39,46,790
	<b>4,07,08,681</b>	<b>7,13,68,940</b>
<b>Less:</b>		
Opening Stock		
Finished Goods	2,89,20,625	1,43,32,768
Work-in-progress	48,30,266	5,91,10,194
	<b>3,37,50,891</b>	<b>7,34,42,962</b>
	<b>69,57,790</b>	<b>20,74,022</b>
<b>2.20 Employee benefits expense</b>		
Particulars	As at 30.06.2018 Rupees	As at 30.06.2017 Rupees
Salaries & Wages	48,60,121	37,88,650
Contribution to Provident and Other Funds	2,36,170	2,01,858
Expense on Employees Stock Purchase scheme		
Workmen and Staff Welfare Expenses	10,57,242	6,12,640
	<b>61,53,533</b>	<b>46,03,148</b>



**2.21 Finance costs**

Particulars	As at 30.06.2018	As at 30.06.2017
	Rupees	Rupees
Interest Expense	75,33,502	79,45,267
Other Borrowing Cost	-	-
	<b>75,33,502</b>	<b>79,45,267</b>

**2.22 Other Expenses**

Particulars	As at 30.06.2018	As at 30.06.2017
	Rupees	Rupees
Consumption of Stores, Spares & Consumables	27,30,436	22,79,208
Packing materials Consumed	4,01,458	1,39,462
Power, Fuel, Water & Gas	1,53,97,934	1,21,29,501
Repairs		
- Building	24,992	
- Plant & Machinery	82,70,665	21,83,701
- Others	7,70,544	10,14,170
Loading, Transportation and Other charges on products	16,06,842	12,49,438
Freight on Exports	-	-
Insurance	5,56,388	8,02,344
Rent	-	-
Rates & Taxes	6,192	7,73,301
Postage & Telephone	1,94,249	2,29,639
Printing & Stationery	58,918	1,41,784
Travelling & Conveyance	11,45,489	13,90,167
Director's sitting fee	30,000	23,000
Payments to the Auditors (See Note 2.22.1)	19,196	1,82,732
Advertisement & Publicity	146	10,000
Discount & Commission on Sales	-	-
Ngil Support fees	6,37,500	-
Professional & Consultancy charges	7,52,323	2,25,585
Bank Charges	1,60,802	47,943
Guarantee Commission	11,33,688	2,82,375
Loan Processing Fees	-	-
Security Charges	7,37,597	8,69,743
Effluent Discharge Fee	16,51,735	24,09,956
Contract Labour Charges	39,80,565	34,51,878
Miscellaneous Expenses	9,06,754	17,00,233
Loss on sale of assets	4,83,958	-
Foreign Exchange rate variation (Net)	-	-
	<b>4,16,19,979</b>	<b>3,15,36,110</b>

2.23 Figures have been rounded off to the nearest rupee. Previous year figures, unless otherwise stated are given within brackets and have been re-grouped and recast wherever necessary to be in conformity with current year's layout.

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As per  
our report of even  
date attached

For and on behalf of the Board of Directors

For REVA PROTEINS LIMITED

  
P. SAHASRANAMAN  
Director

For REVA PROTEINS LIMITED

  
G. RAJESHKURUP  
Company Secretary

Place: Kochi - 19  
Date: 02.08.2018



(REVISED SET OF MOA & AOA)

**MEMORANDUM OF ASSOCIATION**

**OF**

**NITTA GELATIN INDIA LIMITED**

- I. The name of the Company is **NITTA GELATIN INDIA LIMITED**.
- II. The Registered Office of the company will be situated in the State of Kerala.
- III. **A. THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:-**

To manufacture, import, export, trade and deal, in Ossein and products and components of Ossein, Di Calcium Phosphate and products and components of Di Calcium Phosphate, Gelatin and products and components of Gelatin, Glue and its related products and components, raw material for Ossein including Degreased Bone and Crushed Bone and related products viz, tallow, Bone Meal, and other bone products, meat and meat products, other components used for the manufacture of Gelatin like Chitosan, Fish Oil etc., organic manure and other derivatives and components and by products obtained during the course of manufacture of the above and run slaughter houses, independently or in Joint ventures.

**B. MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN III A**

1. To collect, acquire, make process and deal in bones, fish, fish scales, skins and tissues of animals, reptiles, and birds, chemicals, machinery and other materials required for the above purpose .
2. To buy, sell, manufacture, repair, alter, improve, exchange or hire, import and export and deal in all works, plant, machinery, tools and utensils, appliances, apparatus, products, materials, substances, articles, and things capable of being used in any and every such business as aforesaid or required by any customers of or persons having dealings with the Company or commonly dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection with any of the said business and to manufacture, experiment with, render marketable, and deal in all residual and by-products incidental to or obtained in any of the business carried on by the Company.
3. To enter into any arrangements with any Government or authorities, municipal, local or otherwise or any persons whether company or association, partnership or individual in India or abroad, that may seem conducive to the objects of the company or any of them and to obtain from any such Government, authority, persons or company any rights, privileges, charters, contracts, licences or concessions.
4. To acquire the whole or any part of the undertaking and assets of any business within the objects of the Company and any lands, privileges, rights, contracts, property or effects held or used in connection therewith, and upon any such purchase to undertake the liabilities of any persons whether Company, association, partnership or individual.

5. To amalgamate, enter into partnership, or into any arrangements for sharing profits, union of interests, co-operation, joint -ventures or reciprocal concessions, or for limiting competition with any person or company carrying on or engaged in or about to carry on or engage in, any business or transaction which the Company is authorised to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as to directly or indirectly benefit the Company.
6. To apply for, purchase, or otherwise acquire and protect and renew in any part of the world, any patents, patent rights, brevets d' invention, licences, concessions and the like, conferring any exclusive or non exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly to benefit the company and to use, exercise, develop, or grant licences in respect of or otherwise turn to account the property, rights or information so acquired , and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.
7. To establish or promote or concur in establishing or promoting any Company or Companies for the purposes of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company and to place or guarantee the placing of, underwrite, subscribe for or otherwise acquire all or any part of the shares, debentures, or other securities of any such other company.
8. Generally to purchase, take on lease or in exchange, hire or otherwise acquire, any real or personal property and any rights or privileges which the Company may think necessary or convenient for the purpose of its business or which may enhance the value of any other property of the Company and in particular any land, building, factories, casements, machinery, plant, vehicles and stock- in-trade.
9. To build, construct, alter, maintain, enlarge, pull down, remove or replace and to work, manage and control any buildings, offices, factories, mills, shops, machinery, engines roadways, tramways, railways, branches or sidings, bridges, reservoirs, watercourses, wharves, electric works and other works and conveniences, which may seem calculated directly or indirectly to advance the interest of the Company and to join with any other person whether company, association partnership or individual, in doing any of these things.
10. To invest and deal with the moneys of the Company not immediately required in any manner and in particular to accumulate funds or to acquire or take by subscription, purchase or otherwise howsoever or to hold shares or stock in or the security of any company, association, or undertaking in India or abroad, subject to the provisions of the Companies Act, 2013
11. To lend and advance money or give credit to such companies or other persons and on such terms as may seem expedient, and in particular to customers and others having dealing with the Company and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons and generally to give guarantees and indemnities.
12. To receive money on deposits or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures or debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the Company (both present and future) including the uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company of any obligation undertaken by the Company provided that the Company shall not carry on the business of banking within the meaning of the Banking Regulation Act, 1949.

13. To pay for any business, property or rights acquired or agreed to be acquired by the Company and generally to satisfy such obligation of the Company by the issue or transfer of shares of this Company credited as fully or partly paid up or of debentures or other securities of this Company.
14. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
15. To pay for any rights or property acquired by the Company and to remunerate any person or Company whether by cash payment or by the allotment of shares, debentures or other securities of the Company credited as paid up in full or in part.
16. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital, including brokerage and commission for obtaining applications for or taking, placing of underwriting or procuring the underwriting of shares, debentures, or other securities of the Company.
17. To sell, lease, mortgage or otherwise dispose of the property, assets or undertaking of the Company or any part thereof for such consideration as the Company may think fit and, in particular for shares, stock, debentures, or other securities of any other company having objects altogether or in part similar to those of the Company.
18. Subject to the provisions of the Companies Act, 2013 to distribute as dividend, bonus or otherwise among members in kind any property or assets of the Company and any shares, debentures or securities of this Company or of other companies, belonging to this Company, which this Company may be competent to distribute.
19. To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with all or any part of the property and rights of the Company.
20. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any person who are or were at any time in the employment or service of the Company or of any Company which is a subsidiary of the company, or is allied to or associated with the Company with any such subsidiary company or who are or were at any time Directors or Officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependents of any such persons and also establish and subsidise and subscribe to any institutions including in particular, any cafeterias, canteens, or clubs, of funds calculated to be for the benefit of or to advance the interests and well being of the Company or of any such other company as aforesaid and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any other company as aforesaid.
21. To subscribe or contribute or otherwise assist or to grant money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, organisations, objects or purposes or for any exhibitions. The Company shall not contribute to any political party or for political purpose to any individual or body.
22. To procure the Company to be registered or recognised in any part of the world outside India.
23. To create any depreciation fund, reserve fund, sinking fund or any other special fund whether for depreciation or for preparing, improving extending or maintaining any of the properties of the company or for any other purpose conducive to the interests of the Company.
24. Subject to the provisions of the Companies Act, 2013 to place, to reserve or to distribute as dividend or bonus among the members, or otherwise to apply, as the Company may from time to time think fit, any moneys received by way of debentures issued at a premium by the Company and any moneys received in respect of dividends accrued on forfeited shares or from unclaimed dividends.

25. To establish , provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments; to undertake and carry on scientific and technical researches, experiments and tests of all kinds to promote studies and researches both scientific and technical, investigations and inventions by providing, subsidising, endowing or assisting laboratories, workshop, libraries, lectures, meetings and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.
  26. To establish, maintain and operate technical training institutions and hostels for technical staff of all categories of the company and to make such other arrangements that may be expedient for the training of all categories of officers, workers, clerks, technical and other personnel likely to be useful or assist in any business which the Company is authorised to carry on.
  27. To establish, maintain and operate general educational institutions and hostels for the benefit of the children of the employees or ex-employees of the Company, their dependents or connections of such persons and others and to make grants and awards and grant scholarships.
  28. To take part in the management, supervising or control of the business or operations of any Company, or undertaking, and for that purpose to appointment and remunerate any Directors, Accountants or other experts or Agents.
  29. To undertake and execute any trusts, the undertaking whereof may seem desirable whether gratuitously or otherwise.
  30. Subject to the provisions of the Companies Act, 2013 or any other enactment in force, to indemnify and keep indemnified members, officers, directors, agents, and servants of the Company against proceedings, costs, damages, claim and demands in respect of anything done or ordered to be done by them for and in the interests of the Company and of any loss, damage or misfortune whatever and which shall happen in execution of the duties of their office or in relation thereto.
  31. To insure against losses, damages, risk and liabilities of any kind which may affect the Company either wholly or partially.
  32. To apply for, promote and obtain Act of Parliament, charter, privileges, concession, licence or authorisation of any Government, State or Municipality provisional order or licence of any authority for enabling the Company to carry any of its objects into effect or for extending any of the powers of the Company or for effecting any modification of the constitution of the Company or for any other purpose which may seem calculated directly or indirectly to prejudice the interest of the Company.
  33. To own and operate transport vehicles and vessels for transporting all raw materials, finished products and other goods and things required, dealt in or manufactured by the Company.
  34. To produce, convert, export, import, purchase, sell, deal and trade in all materials and things including raw materials, by-products, wastes, finished products and products at all intermediate stages, machinery, equipments and chemicals connected directly or indirectly with the industry set forth above.
  35. To establish and maintain offices, godowns and grading centres for supervision of works, collection of goods for exports/local sales and to purchase and stock agricultural, marine, meat, chemical and industrial products.
- IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.



- V. The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rs. Fifteen Crores Eighty Lakhs and Forty only)and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10 each aggregating to Rs20,00,00,000 (Rs Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs4,44,44,440 ( Rs. Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only) with power to increase and reduce the Capital for the time being of the Company into several classes and to attach thereto respectively preferential, qualified or special rights, privileges or conditions as such may be determined by or in accordance with the provisions of the Companies Act,2013 and Articles of Association of the Company and to vary, modify, or abrogate any such rights, privileges to conditions in such manner as may for the time being provided by the aforesaid regulations.

We, the several persons, whose names and addresses are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set against our respective names.

Names, addresses, descriptions, and occupations addresses, of subscribers	No.of shares taken by each subscribers	Signature of subscriber	Signature, names, descriptions and occupations of witnesses
1. P.J. Thomas Son of Sri. Panampunna John John. "Tejsa", Vikramapuram Hills, Trivandrum — 3, Managing Director, Kerala State Industrial Development Corpn. Ltd.Trivandrum - I	One	Sd/-	Sd/-G. Raman Pillay Son of Sri. S. Govinda Pillay, Han Sree, Neeramonkara, Trivandrum - 18 Asst. Manager Kerala State Industrial Development Corporation Ltd., Trivandrum - I.
2. M.R.C. Warriier Son of Sri. M.R. Madhava Warriier, 120."Revathi" Jawahar Nagar, Trivandrum — 3 Development Commissioner, Kerala State Industrial Development Corpn. Ltd., Trivandrum - I	One	Sd/-	

Names, addresses, descriptions, and occupations addresses, of subscribers	No. of shares taken by each subscribers	Signature of subscriber	Signature, names, descriptions and occupations of witnesses
3. Joseph Lopez Son of Sri. X.G. Lopez, "Thejos", Opp. Nirmala Bhavan Convent High School, Kawdiar, Trivandrum — 3 Development Commissioner, Kerala State Industrial Development Corporation Ltd,Trivandrum-I	One	Sd/-	Sd/-G. Raman Pillay Son of Sri. S. Govinda Pillay, Han Sree, Neeramonkara, Trivandrum - 18

4. A.S. Unny Son of Sri. C.K. Madhavan Namboodiri, "Sujani", Vellayambalam, Trivandrum -10 Secretary, Kerala State Industrial Development Corpn. Ltd., Trivandrum - 1	One	Sd/-	Asst. Manager Kerala State Industrial Development Corporation Ltd., Trivandrum - I.
5. K.A.L. Narayanan Swamy Son of Sri. K.A. Doraiswamy Iyer, T.C. 10-241/I, Kanakanagar, Trivandrum -3 Manager. (Chemical Engineering), Kerala State Industrial Development Corp. Ltd., Trivandrum - I	One	Sd/-	
6. C. Krishnamoorthy Son of Sri. S.V. Venkateswara Iyer, "Gayathri" Udarasiromani Road Vellayambalam, Trivandrum -10 Deputy Manager (Finance), Kerala State Industrial Development Corpn. Ltd., Trivandrum - I	One	Sd/-	
7. M.A. Azeem Son of Sri. M. Muhammad Ismail 14/265, "Usha Bhavan", Udarasiromani Road, Vellayambalam, Trivandrum — 10 Asst. Secretary, Kerala State Industrial Development Corpn. Ltd., Trivandrum - I	One	Sd/-	
Total Shares taken	Seven		

Dated 22nd day of April 1975

**ARTICLES OF ASSOCIATION**  
**OF**  
**NITTA GELATIN INDIA LIMITED**

**1. Constitution**

Except as is otherwise dwelt under these Articles, the Regulations contained in Table F, Schedule I of the Companies Act, 2013 shall apply to the Company.

**2. Interpretation**

In these presents the following words and expressions shall have the corresponding meanings unless excluded by the subject or context:

**“The Act” or “the Companies Act”**

- (a) “The Act” or “the Companies Act” shall mean “The Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.

**“The Board” or “the Board of Directors”**

- (b) “The Board” or “the Board of Directors” means the Board of Directors of the Company, the Directors assembled at a Board or the requisite number of Directors entitled to pass a resolution by circulation in accordance with these Articles.

**“The Company” or “This Company”**

- (c) “The Company” or “This Company” means NITTA GELATIN INDIA LIMITED

**“Director”.**

- (d) “Directors” means the Directors including Alternate Directors for the time being of the Company whether in meeting assembled or not.

**“Writing”**

- (e) “In Writing” includes printing, lithography, typewriting and any other usual substitute for writing.

**“Members”**

- (f) “Members” means a person (a) whose name is entered in the Register of Members as holding any share (s) either solely or jointly (b) Subscriber to the Memorandum of the company (c) Beneficial owner (s)

**“Month”**

- (g) “Month” means a English Calendar month.

**“Paid-up”**

- (h) “Paid-up” shall include “credited as fully paid-up”.

**“Person”**

- (i) “Person” shall include any corporation or Company as well as individuals.

**“These Presents” or “These Regulations” or “These Articles”.**

- (j) “These Presents” or “These Regulations” or “These Articles” shall mean these Articles of Association as now framed or altered from time to time and shall include the Memorandum where the context so requires.

**“The Register”**

- (k) “The Register” means the Register of Members kept by the Company pursuant to Section 88 of the Act.

**“The Seal”**

- (l) “The Seal” means the Common Seal for the time being of Company.

**“Section”**

- (m) “Sec’ or “Section” means Section of the Act.

**“Special Resolution”.**

- (n) “Special Resolution” shall have the meaning assigned thereto by Section 114 of the Act.

**“Words”**

- (o) “Words” importing the masculine gender shall include the feminine gender and vice versa.

- (p) Except where the context otherwise requires, words importing the singular shall include the plural and vice versa.
- (q) **“Other Words, Expressions”**  
Subject as aforesaid, any words or expressions defined in the Companies Act 2013 or Rules thereof except where it is repugnant to the subject or context hereof, shall bear the same meaning in these presents.
- (r) **“Amendments”**  
In these Articles, any reference to specific provisions of Statutes, By- laws, Rules or Regulations shall be deemed to be reference to their modifications, substitutions, replacement or amendments as well, carried out from time to time.

## **CAPITAL**

### **Share Capital**

3. “The Share Capital of the Company is Rs 80,24,44,480 ( Eighty Crores Twenty Four Lakhs Forty Four Thousand Four Hundred Eighty only) comprising of 4,00,00,000 Equity Shares of Rs.10/- each aggregating to Rs 40,00,00,000 (Rs Forty Crores) and 9,29,412 Optionally Convertible Non-Cumulative Preference Shares of Rs.170/- each aggregating to Rs.15,80,00,040/-(Rupees Fifteen Crores Eighty Lakhs and Forty only)and 2,00,00,000 Optionally Convertible Preference Shares of Rs 10/- each aggregating to Rs 20,00,00,000/-(Rupees Twenty Crores only) and 44,44,444 Redeemable Preference Shares of Rs 10 each aggregating to Rs. 4,44,44,440/- ( Rupees Four Crores Forty Four Lakhs Forty Four Thousand Four Hundred and Forty only)”

### **Prohibition of investments of funds in Company’s own shares**

4. Except as provided by Section 67 and Rule 16 of the Companies (Share Capital and Debentures) Rules 2014 , no part of the funds of the Company shall be employed in the purchase of the shares of the Company and the Company shall not give whether directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person or for any shares in the Company.

### **Allotment of Shares**

5. The Company shall duly comply with Section 39 of the Act read with Rules 12 of the Companies (Prospectus and Allotment of Securities) Rules 2014 with regard to all allotments of shares from time to time.

### **Further issue of capital**

6. The Board may, at any time, increase the subscribed capital of the Company by issue of new shares out of the unissued part of the share capital in the original or subsequent created capital, but subject to the following provisions ,namely:

- (1) In respect of offers and allotments made as above, the Directors shall subject to the provisions of Section 62 of the Act, and of sub-clause (3) herein below, offer such new shares to the persons who at the date of the offer, are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date; by sending a letter of offer, subject to conditions (i) to (iii):

(i) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer if not accepted will be deemed to have been declined.

(ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned -to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in Clause) (i) shall contain a statement of this right.

(iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given, that he declines to accept the shares offered, the board may dispose of them in such manner as it thinks most beneficial to the shareholders and the company.

- (2) To Employees under a scheme of Employees Stock Option, subject to Special Resolution passed by company and subject to such condition as may be prescribed.
- (3) The Directors may with the sanction of the Company in General Meeting offer and allot shares to any person whether or not those persons include the persons referred to in (1) or (2) above at their discretion either for cash or consideration other than cash, if:
  - (i) a special resolution passed at any General Meeting,
  - (ii) if the price of the shares is determined by valuation report of a registered valuer subject to such conditions as may be prescribed .
- (4) The notice referred herein above at (1) to (3) shall be dispatched through Regd. Post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
- (5) Nothing in this clause shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company, provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option, while such term:
  - (i) has been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or the raising of the loans; and also,
  - (ii) either has been approved by the Central Government under such circumstances as are applicable to debentures issued or loan obtained from any Government as per the applicable provisions of the Act, before the issue of the debentures on the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf.

**Power to Issue share of different classes**

7. Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, any shares in the Company may be issued with such preferred, or other special rights or such restrictions, whether in regard to dividend, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine
- Power of General Meeting to offer shares to such persons as the Company may resolve
8. In addition to and without derogating from the powers for that purpose conferred on the Board under Article 6, the Company, by a special resolution in General Meeting, may determine that any shares (whether forming part of the original capital or of any increased capital of the company) shall be offered to such persons (whether member or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at a premium, or at par as such General Meeting shall determine and shall have full power to give to any persons (whether members or holders of debentures of the Company or not) the option to call for or be allotted, shares of any class of the Company either at a premium or at par, as such option being exercisable at such times and for consideration as may be directed by such General Meeting and may make any other provisions whatsoever for the issue, allotment or disposal of any shares (Provided that option or right to call of shares shall not be given to any person or persons except with the sanction of the Company in General Meeting).

**PREFERENCE SHARES**

9. (a) Subject to the provisions of these Articles, Section 55 of the Act and the Companies (Share Capital and Debentures ) Rules, 2014, any preference shares may with the sanction of a Special resolution, be issued on the terms that they are, or at the option of the Company are liable, to be redeemed out of profits or out of the proceeds of a fresh issue of shares made for the purpose of such redemption.
- (b) Subject to the provisions of these Articles, Section 55 of the Act and the Companies (Share Capital and Debentures ) Rules, 2014, any preference shares may with the sanction of a Special resolution, be issued on the terms that they

are, or at the option of the Company are liable, to be redeemed out of profits or out of the proceeds of a fresh issue of shares made for the purpose of such redemption.

- (c) The Board may, at its discretion, convert the unissued Equity Shares into Preference Shares or Redeemable Preference Shares and vice versa and the Board may issue any part or parts of the unissued shares upon such terms and conditions and with such rights and privileges annexed thereto as the Board at its discretion and subject to the provisions of Section 55 of the Act, think fit and in particular may issue such shares with such preferential or qualified rights to dividends and in the distribution of the assets of the Company as the Board may, subject to the aforesaid section, determine.
- (d) The Board may at its discretion issue any portion of the Preference shares not already issued, as Redeemable preference shares which are at the option of the Company liable to be redeemed and subject to provisions of Section 55 of the Act, on such terms as to dividends, preferential payment or return of the amount paid- up thereon and as to conditions and terms of redemption as the Directors may deem fit.

**Variation of rights**

- 10. The rights attached to each class of shares (unless otherwise provided by the terms of the issue of the shares of that class) may, subject to the provisions of Sections 48 of the Act be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting, of the holders of the issued shares of that class. To every such separate Meeting, the provisions of these Articles relating to General Meeting shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy one-tenth of the issued shares of that class.

Issue of further shares pari passu shall not affect the right of shares already issued

- 11. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided for by terms of issue of the shares of that class, be deemed to be varied by the creation of further shares, ranking pari passu therewith.

**No Issue with disproportionate rights**

- 12. The Company shall not issue any shares, (not being preference shares), which carry voting rights or rights in the Company as to dividend, capital or otherwise which are disproportionate to the rights attaching to the holders of other shares (not being preference shares).

**Power to pay Commission**

- 13. The Company may at any time pay commission to any person for subscribing on agreeing to subscribe in a Public offer of Securities (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures, or debenture stock of the Company. The Statutory conditions and requirements shall be observed and complied with and the rate of commission shall not exceed five percent of the price at which the shares are issued and in the case of debentures the rate of commission shall not exceed two and a half percent of the price at which the debentures are issued. The commission may be satisfied by the payment out of proceeds of the issue or profits of the Company partly in one way and partly in the other. The company may also on any issue of shares on debentures pay such brokerage as may be lawful.

**Trust not recognised**

- 14. Save as other wise provided by these Articles the Company shall be entitled to treat the registered holder of any shares or debentures as the absolute owner thereof and accordingly the Company shall not, except as ordered by a Court of competent jurisdiction or by the Statute required, be bound to recognise any equitable, contingent, future or partial interest, lien, pledge, or charge in any shares or debentures or (except

only as by these presents otherwise provided for) any other right in respect of any share or debenture except an absolute right to the entirety thereof in the registered holder.

**Issue of shares other than for cash**

15. The Board may issue and allot shares in the Capital of the Company as payment or part payment for any property sold or goods transferred or machinery or appliances supplied, or for services rendered or to be rendered to the Company in or about the acquisition and/or conduct of its business and any share may be allotted as fully paid-up shares, and if so issued, shall be deemed to be fully paid-up shares.

**Acceptance of Shares**

16. An application signed by or on behalf of the applicant for shares in the Company, followed by an allotment of any shares therein, shall be acceptance of the shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is in the Register shall for the purpose of these Articles be a member.

**SHARE AND DEBENTURE CERTIFICATES**

**Rights of certificates:**

17. (1) Every person whose name is entered as a member in the register shall be entitled to receive without payment:
- (a) One certificate for all his shares : or
  - (b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
  - (c) (i) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
    - (ii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- (2) (a) The Company shall, unless prohibited by any provision of law or any order of court, Tribunal or other authority, deliver the certificates of all securities allotted, transferred or transmitted-
- (i) Within a period of two months from the date of allotment, in the case of any allotment of any of its shares;
  - (ii) Within a period of one month from the date of receipt by the company of the instrument of transfer or, as the case may be of the intimation of transmission, in the case of a transfer or transmission of securities;
  - (iii) Within a period of six months from the date of allotment in the case of any allotment of debentures:
- Provided that every person subscribing to securities offered by the company shall have the option either to receive the share/ security certificates or to hold shares/securities in a dematerialised form.
- Provided that where the securities are dealt with in a depository, the company shall intimate the details of allotment of securities to depository immediately on allotment of such securities.
- Notwithstanding anything contained above, the certificates in respect of all securities allotted, transferred or transmitted will be delivered within such other shorter period as may be required by stock exchanges where the securities of the company are listed.
- (b) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for the share to one of several joint holders shall be sufficient delivery to all such holders;
  - (c) Each certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.

(d) The Company will not charge any fees for the issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilized.

**Duplicate certificates.**

18. If a certificate is torn or defaced, lost or destroyed, it may be replaced by the issue of a new certificate on payment of a fee not exceeding that which may be agreed upon with the appropriate Stock Exchange and on such terms, if any, as to evidence and indemnity and payment of out of pocket expenses incurred by the company in investigating evidence as the Board thinks fit.

**Endorsement of transfer**

19. In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at their discretion, direct an endorsement of the transfer and the name of the transferee and other particulars, on the existing share Certificates and authorise any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate in lieu of and in cancellation of the existing Certificate, in the name of the transferee, where there is no further space on the back thereof for making endorsement of transfer.

**Splitting and consolidating of share certificate**

20. Any registered holder of the shares being in possession of any Share Certificate or Share Certificates for the time being, may surrender such Share Certificate or Certificates to the Company and apply to the Company for the issue of two or more fresh share certificates comprising the same shares bearing the same distinctive numbers as were comprised in the said certificates and in such separate lots as he may desire, in lieu of and in cancellation of such share Certificate so surrendered or for the consolidation of the shares comprised in such surrendered certificates into one Certificate and the Directors may, in lieu of and in cancellation of Certificates so surrendered, issue one or more such share certificates, as the case may be, in the name of the person or persons in whose name the original certificates stood and the new Certificates so issued shall be delivered to the person who surrendered the original certificates or to his order.

**Issue of Certificates**

21. Every Certificate of title to the share or shares shall be issued only in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 or any amendment thereof or any provision of law applicable thereto, for the time being in force.

**CALLS ON SHARES**

**Calls**

22. The Board may, from time to time, make such calls as they think fit upon the members in respect of all money unpaid on the shares held by them respectively whether on account of the nominal value of the shares or by way of premium and not by the conditions of the allotment thereof made payable at fixed times, and the members shall pay the amount of every call so made on them to the person and at the time and place appointed by the Board.

**Length of Notice of Call**

23. Not less than fourteen days notice of any call shall be given specifying the time and place of payment and the persons to whom such payment shall be made provided that before the time for payment of such call the Board may, by notice in writing to the members, extend the time for payment thereof.

**Sums payable in fixed instalments to be deemed Calls**

24. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times whether on account of the nominal value of the share or by way of premium, every such amount on installment shall be payable as if it were a call duly made by the Board, of which due notice had been given, and all



provisions herein contained in respect of calls shall relate and apply to such amount on installment accordingly.

**When installment on calls payable**

25. If a sum called in respect of the shares is not paid on or before the day appointed for payment thereof, the person from whom the sum is due shall pay interest upon the sum at such rate of interest as the Board may decide from the day appointed for the payment thereof to the time of the actual payment, but the Board shall be at liberty to waive payment of that interest wholly or in part.

**Interest on sums payable at fixed time**

26. The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time, whether on account of the nominal amount of the share or by way of premium, as if the same had become payable by virtue of a call duly made and notified.

**Payment of call in advance**

27. The Board may, if they think fit, receive from any member willing to advance all or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advanced may (until the same would, but for such advance becomes presently payable) pay interest at such rate as the Board may decide but shall not in respect of such advances confer a right to the dividend to participate in profits or to any voting rights.

**Partial payment not to preclude forfeiture**

28. Neither a judgement nor a decree in favour of the Company for call or other moneys due in respect of any share nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any share either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as here- in-after provided.

**Persons by whom instalments are payable**

29. If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalments shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative or representatives, if any.

**Liability of joint holders of shares**

30. The joint holders of a share or shares shall be severally as well as jointly liable for the payment of all instalments and calls, interest and expenses, if any due in respect of such share or shares.

**LIEN**

**Company's lien on share**

31. The Company shall have a first and paramount lien upon all shares other than fully paid-up shares registered in the name of any member, either alone or jointly with any other person and upon the proceeds of sale thereof for all moneys called or payable at a fixed time in respect of such shares and such lien shall extend to all dividends from time to time declared in respect of such shares, besides bonus on such shares. But the Board at any time may declare any shares to be exempt, wholly, or partially, from the provisions of the Articles.

**Enforcing of lien by sale**

32. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which lien exists or is presently payable has been given to the registered holder.

**Authority of transfer**

33. To give effect to such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

**Application of proceeds of sale**

34. The net proceeds of any such sale shall be applied towards satisfaction of the said moneys due from the member and the balance, if any, shall be paid to him or the person, if any, entitled by transmission to the shares on the date of the sale.

**FORFEITURE OF SHARES**

**If call or installment not paid, notice may be given**

35. If a member fails to pay any call or installment of a call on the day appointed for the payment thereof, the Board may, at any time thereafter during such time as any part of such a call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued.

**Form of Notice**

36. The notice aforesaid shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.

**If notice not complied with, shares may be forfeited**

37. If requirements of any such notice as aforementioned are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

**Surrender of Shares**

38. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon the surrender of any share liable to forfeiture and so far as the law permits of any other shares.

**Board's right to disposal of forfeited shares or cancellation of forfeiture**

39. A forfeited or surrendered share may be sold or otherwise disposed of on such terms and in such manner as the Board may think fit, and at any time before such sale or disposal, the forfeiture or surrender may be cancelled on such terms as Board may think fit.

**Liability after forfeiture**

40. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares; but shall, notwithstanding the forfeiture, remain liable to pay and shall forthwith pay to the Company all moneys, which at the date of forfeiture were presently payable by him to the Company in respect of the shares whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys in respect of the shares.

**Declaration of forfeiture**

41. A duly verified declaration in writing that the declarant is a Director of the Company and that a share in the Company has been fully forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to shares, and that declaration and the receipt of the Company for the consideration, if any, given for the share on the sale or disposal thereof, shall constitute good title to the share and the person to whom the share is sold or disposed of shall be registered as the holder of the share and shall not be bound to see to the application of

the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceeding in reference to the forfeiture, sale or disposal of the share.

**Non-Payment of sums payable at fixed times**

42. The provisions of these regulation as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal amount of the share or by way of premium or otherwise, as if the same had been payable by virtue of a call duly made and notified.

**TRANSFER AND TRANSMISSION OF SHARES**

**Transfer of shares**

43. (1) A common form of transfer shall be used. The company shall not register a transfer of securities of the company, other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer/common form of transfer as prescribed in the Rule made under sub- section (1) of Section 56 of the Act, duly stamped, dated and executed by or on behalf of the transferor and the transferee and specifying the names, address and occupation, if any,of the transferee alongwith the certificate of shares to which it relates and such other evidence as the Company may require to prove the title of the transferor, has been delivered to the company by the transferor or the transferee within a period of sixty days from the date of execution, along with the certificate relating to the securities, or if no such certificate is in existence,along with the letter of allotment of securities:  
Provided that where instrument of transfer/common form of transfer has been lost or the instrument of transfer/ common form of transfer has not been delievered within the prescribed period, the company may register the transfer on such terms as to indemnity as the Board may think fit.
- (2) No instrument of transfer/common form of transfer shall be necessary as regards transfer of shares or other securities held in dematerialized form and such transfers shall be registered in accordance with the applicable regulation of the Depositories Act,1996;  
Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the company may register the transfer on such terms as to indemnity as the Board may think fit.
- (3) Where any instrument of transfer of shares has been delivered to the company for registration and the transfer of such shares has not been registered by the company, it shall notwithstanding anything contained in any other provisions of the Act;
- (a) Transfer the dividend in relation to such shares to the Special Account referred to in Sec. 124 of the Companies Act, 2013, unless the company is authorised by the Registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer and
- (b) Keep in abeyance in relation to such shares any offer of-Rights under clause (a) of Sub-section (1) of Sec. 62 and any issue of fully paid up bonus shares in pursuance of Proviso to Sub-Section (5) of Section 123 of the companies Act, 2013.
- (4) (a) An application for the registration of a transfer of any share(s) debenture(s) or any other securities or other interest of a Member in the Company may be made either by the transferor or by the transferee.
- (b) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered,unless the Company gives notice as per Rules to Act, of the application to the transferee, and the transferee make “no objection” to the transfer within two weeks from the receipt of the notice.
- (c) For the purpose of sub-article(b) above, notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the

transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

- (5) No share shall in any circumstance be transferred to an infant, insolvent or person of unsound mind.

**Board's power to refuse registration of transfer**

44. Nothing in these presents shall prejudice the powers of the Company to refuse to register the transfer of any shares.
45. The Board of Directors may refuse to register the transfer of any shares to the name of the transferee on any one or more of the following grounds:-
- (a) That the instrument of transfer/common form transfer is not proper or has not been duly stamped and executed or compares more than one class of shares or that the certificate relating to the shares has not been delivered to the Company or that any other requirement under the Law relating to the registration of such transfer has not been complied with.
  - (b) That the transfer is in contravention of any law.
  - (c) That the transfer is likely to result in such change in the composition of the Board of Directors as would be prejudicial to the interest of the Company or to the public interest and/or is in contravention of any statutory/regulatory guidelines, instructions or advices, as may be considered by the Board as 'sufficient cause' for refusal to be recorded in writing, in which event the concerned stock exchange shall be taken into confidence, when so required, as to the reason for such rejection.
  - (d) That the transfer is prohibited by any Order of the Court, Tribunal or other authority under any law for the time being in force.
46. (a) Notwithstanding anything contained in Articles 45 but subject to the provisions of Section 44 of the Act and the Rules and Regulations made there under and other applicable laws the Board may, at their absolute and uncontrolled discretion, decline to register or acknowledge any transfer of shares and by giving reasons for such refusal and in particular may so decline in respect of the shares upon which the Company has lien or whilst any monies in respect of the shares desired to be transferred or any of them remain unpaid and such refusal shall not be affected by the fact that proposed transferee is already a Member. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
- (b) Without prejudice to the foregoing provisions and without limiting in any manner the generality of the above provisions, the Board may, at their absolute and uncontrolled discretion, refuse to register the transfer of any shares or other securities of the Company being shares or securities issued by the Company, in favour of any transferee whether individual, firm, group, constituent of a group, Body Corporate or Bodies Corporate under the same management or otherwise and whether in his or its own name or in the name of any other person, if the Board is satisfied that as a result of the proposed transfer of any shares or securities or block of shares of the Company, a change in the composition of the Board of Directors or change in the controlling interest of the Company is likely to take place and that such change would be prejudicial to the interest of the Company or to the public interest. For the purpose of this Article, the Board shall be entitled, inter alia to rely upon this Article to form its own opinion as to whether such registration of transfer of any shares or other securities should be refused or not.
  - (c) If the Company refuses to register the transfer of any shares, it shall, within a period of sixty days from the date on which the instrument of transfer is

delivered to the Company. send to the transferee and the transferor notice of the refusal.

47. **Particulars of transfer to be entered to the Register of Members/Endorsement of transfer and issue of Certificate**

(a) The particulars of every transfer or transmission of any shares and all other particulars of shares shall be entered in the Register of Members as required by the Act.

(b) Every endorsement upon the certificate of any share in favour of any transferee shall be signed by the Secretary or by some other person for the time being duly authorised by the Board in that behalf. In case any transferee of a share shall apply for a new certificate in lieu of the old or existing certificate, he shall be entitled to receive a new certificate on payment of fee not exceeding that which may be agreed upon with the appropriate Stock Exchange.

**Custody of Transfer Deeds**

48. The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of eight years, or more.

**Closure of Register of Members and Register of Debenture holders.**

49. The Board may after giving not less than seven day's previous notice by advertisement in one vernacular newspaper and English newspaper circulating in the District in which the Registered Office of the Company is situated, close the Register of Members or the Register of Debenture holders for any period or periods not exceeding in the aggregate forty five days in each year but not exceeding thirty days at any one time, as envisaged under Section 91 of the Act read with Rule 10 of the Companies (Management and Administration) Rules, 2014.

**Transmission of shares**

50. (1) The executors or administrators of deceased member (not being one of several joint holders) or the holder of a succession certificate empowered thereby to receive dividends on and to negotiate any shares belonging to a deceased member, shall be the only persons recognised by the Company, as having any title to the shares registered in the name of such member; provided that should the member be a member of a joint Hindu family, the Board on being satisfied to that effect and on being satisfied that the shares standing in his name in fact belonged to the joint family may recognise the survivors or the Karta thereof as having title to the shares registered in the name of such member; provided further that in any case it shall be lawful for the Board in their absolute discretion to dispense with the production of probate or letters of administration or other legal representation upon such terms as indemnity or otherwise, as the Board may deem fit.

(2) On the death of one or more of joint holders of any shares, the survivors/survivor alone shall be the only persons recognised by the Company as having any title to or interest in such shares. In the event of the death of any sole holder or of the death of the last surviving holder the executors or administrators of such or other persons legally entitled to the shares shall be entitled to be recognised by the Company as having title to the shares of the deceased. Provided that on production of such evidence as to title and on such indemnity or other terms as the Board may deem sufficient, any person may be recognised as having title to the shares as heir or legal representative of the deceased share holder.

(3) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any shares which were jointly held by him with other persons.

51. **Nomination of shares**

(i) Any person who becomes a nominee by virtue of the provisions of Section 72 of the Act, upon production of such evidence as may be required by the Board and

subject as hereinafter provided, be either get registered himself as holder of the share or debenture, as the case may be; or authorised to transfer the share or debenture, as the case may be, as the deceased shareholder or debenture holder, as the case may be could have made.

- (ii) if the person being a nominee, so becoming entitled elects to be registered as holder of the share or debenture himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.
- (iii) All the limitations, restrictions and provisions of this Act, relating to the right to transfer and the registration of transfers of shares or debentures shall be applicable to any such notice or transfer as aforesaid.
- (iv) A person being a nominee, becoming entitled to a share or debenture by reason of the death of the holder shall be entitled to the same dividends and other advantage to which he would be entitled if he were the registered holder of the share or debenture except that he shall not, before being registered a member, in respect of his share or debenture, be entitled in respect of it, to exercise any right conferred by membership in relation to meetings of the Company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with, within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the shares or debentures, until the requirements of the notice have been complied with.

#### **Rights and liabilities of legal representatives**

- 52. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member, may, upon such evidence being produced as may from time to time be required by the Board and subject as hereinafter provided, elect either;
  - (a) to be registered himself as holder of the share; or
  - (b) to make such transfer of the shares as the deceased or insolvent member could have made.
- (2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

#### **Notice of election by legal representatives**

- 53. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company notice in writing signed by him stating that he so elects.
- (2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the shares.
- (3) All the limitations, restrictions and provisions of these regulations, relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- (4) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share be entitled to in respect of it to exercise any right conferred by membership in relation to meetings of the Company; provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with, within ninety days, the Board

may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

**Company's right to register transfer by apparent legal owner**

54. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable right, title or interest to, or in the same shares and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, but the Company shall nevertheless be at liberty to have regard and attend to any such notice and give effect thereto, if the Board shall think fit.

**REGISTER OF MEMBERS**

**Register of Members and Debenture Holders.**

55. (a) The Company shall cause to be kept a register and index of members or other security holders in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialized forms in any medium as may be permitted by law including in any form or electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.
- (b) Subject to the provisions of Section 91 of the Act, the Directors shall have power to close the Register of Members or Debenture- holders of the Company.

**Inspection of Registers**

56. (a) The registers and indices maintained pursuant to section 88 and copies of returns prepared pursuant to section 92, shall be open for inspection during business hours, of two hours ( 11.00 am to 01.00 pm) on every working day as the board may decide, by any member, debenture holder, other security holder or beneficial owner without payment of fee and by other person on payment of a fee of Rs. 50/- for each inspection.
- (b) Any such member, debenture holder, security holder or beneficial owner or any other person may require a copy of any such register or entries therein or return on payment of Rs. 10/- for each page. Such copy or entries or return shall be supplied within seven days of deposit of such fee.
- (c) The Company shall send to any Member, Debenture- holder or other persons, on request, a copy of the Register of Members, the Index of Members, the Register and Index of Debenture- holders or any part thereof required under the Act, on payment of such sum as may be prescribed by the Act. The copy shall be sent within the period prescribed by the Act.

**SET - OFF OF MONEYS DUE TO SHAREHOLDERS**

**Set - off of moneys due to share holders**

57. Any money due from the Company to a shareholder may without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other persons to the Company in respect of calls.

**CONVERSION OF SHARES INTO STOCK**

**Conversion of shares**

58. The Company may by ordinary resolution convert all or any fully paid-up shares of any denomination into stock and vice versa.

**Transfer of stocks**

59. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which the shares from which the stock arose, might before the conversion have been transferred, or as near thereto as circumstances

admit; provided, that the Board may, from time to time fix the minimum amount of stock transferable, so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

**Rights of stock holders**

60. The holders of stock shall according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

**Applicability of Regulations to stock and stock holders**

61. Such of the regulations contained in these presents (other than those relating to share warrants) as are applicable to fully paid up shares shall apply to stock and the words "share" and "shareholders" in these presents shall include "stock" and "stockholder" respectively.

**ALTERATION OF CAPITAL**

**Alteration of Capital**

62. (1) The Company in General Meeting may from time to time alter the conditions of its Memorandum of Association as follows, that is to say, it may
- (a) increase its authorized share capital by such amount as it think expedient.
  - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
  - (c) convert all or any of its fully paid up shares into stock, and reconvert that stock into fully paid up shares of any denomination.
  - (d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub division the proportion between the amount paid and the amount if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived, or
  - (e) cancel any shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
- (2) The resolution whereby any share is sub divided may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards, dividend, capital or otherwise over or as compared with the others.

**Application of provisions to new shares**

63. The new shares shall be subject to the same provisions with reference to the payment of calls, lien, transfer, transmission, forfeiture, and otherwise as the share in the original share capital.

**Reduction of capital etc.**

64. The Company may by special resolution reduce in any manner and in particular, may
- (a) extinguish or reduce the liability on any of its shares in respect of the share capital not paid- up: or
  - (b) either with or without extinguishing or reducing liability on any of its shares:-
    - (i) Cancel any paid-up share capital which is lost or is unrepresented by available assets : or
    - (ii) Pay off any paid-up share capital which is in excess of the wants of the company, alter its memorandum by reducing the amount of its Share capital and of its shares accordingly.



Provided that no such reduction shall be made if the company is in arrears in the repayment of any deposits accepted by it, either before or after the commencement of this Act, or the interest payable thereon.

## **GENERAL MEETING**

### **Annual General Meeting**

65. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as annual general meeting at intervals and in accordance with the provision specified below:-
- (a) The first annual general meeting of the Company shall be held within a period of nine months from the date of closing of the first financial year.
  - (b) The next annual general meeting of the company shall be held within six months after the expiry of the financial year in which the first annual general meeting was held and thereafter the annual general meeting shall be held by the Company within six months after the expiry of each financial year, subject however to the power of the Registrar of Companies to extend the time within which such a meeting can be held for a period not exceeding three months, and subject there to not more than fifteen months shall elapse from the date of one annual general meeting and that of the next.
  - (c) Every annual general meeting shall be called for at a time during business hours on a day that is not a National holiday and shall be held either at the registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated.
  - d) Notice calling such meetings shall specify them as annual general meetings.
  - e) All other meetings shall be referred to as Extraordinary general meetings.

### **Extraordinary general meetings by Requisition**

66. (1) The Board shall on the requisition of such number of members of the Company as is specified below proceed duly to call an Extraordinary General Meeting of the Company and comply with the provisions of the Act in regard to meetings on requisition.
- (2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be in writing or through electronic mode and shall be served 21 days prior to the proposed meeting.
  - (3) The notice shall be signed by all the requisitionists or by a requisitionist duly authorized in writing by all other requisitionists on their behalf or by sending an electronic request attaching therewith a scanned copy of such duly signed requisition.
  - (4) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit or despatch to the Registered Office of the requisition, not less than 1/10 of such of the paid up capital of the Company as at that date carries the right of voting in regard to the matters set out in the requisition.
  - (5) If the Board does not within 21 days from the date of the deposit of the requisition with regard to any matters proceed duly to call a meeting for the consideration of those matters, on a day not later than 45 days from the date of deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists, within a period of three months from the date of requisition.
  - (6) Where the meeting is not convened inspite of a requisition, the requisitionist shall have a right to receive list of members together with their registered address and number of shares held and the company is bound to give a list of members together with their registred address made as on twenty first day from the date of receipt of valid requisition together with such changes, if any, before the expiry of the forty-five days from the date of receipt of a valid requisition.

### **Length of notice for calling meeting**

67. A general meeting of the Company may be called by giving not less than clear 21 days notice which shall be given by speed post or registered post or through electronic mode.

Provided that a General Meeting may be called after giving shorter notice if consent thereto is accorded by members of the Company holding not less than 95% of that part of the paidup share capital which gives the right to vote on the matters to be considered at the meeting. Provided that where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for purpose of this Article in respect of the former resolution or resolutions and not in respect of the latter.

### **Accidental omission to give notice not to invalidate meeting**

68. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate the proceedings of, or, any resolution passed at, such meeting.

### **Special Business**

69. (a) All business shall be deemed special that is transacted at an Extraordinary General Meeting and also that is transacted at an Annual General Meeting with the exception of business relating to:

- (i) The consideration of the financial statements Reports of the Directors and Auditors;
- (ii) the declaration of a Dividend;
- (iii) the appointment of Directors in the place of those retiring; and
- (iv) the appointment of and fixing of the remuneration of the Auditors.

- (b) 'Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such items of business, including in particular the nature of the concern or interest, financial or otherwise, if any, therein of every Director and manager if any; and every other Key Managerial Personnel and relatives of all such persons. . Where any item of business consists of according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Provided that where any item of special business as aforesaid to be transacted at the meeting of the Company, relates to or affects any other Company, the extent of share holding interest in that other Company of every such personnel, shall also be set out in the statement if the extent of such shareholding interest is not less than 2%(two percent) of the paid up share capital of that other Company.

### **PROCEEDINGS AT GENERAL MEETINGS**

#### **Quorum**

70. Thirty (30) members personally present shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the time when the meeting proceeds to business as well as throughout the meeting.

#### **If quorum not present, when meeting to be dissolved and when to be adjourned.**

71. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if called upon the requisition of members, shall stand cancelled.; in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall form a quorum.

#### **Chairman of General Meeting**

72. (1) The Chairman of the Board of Directors, shall preside as Chairman at every General Meeting of the Company.

- (2) If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairman of the meeting, the members present shall choose another Director as Chairman of the meeting, and if no Director is present within 15 minutes after the time appointed for holding of the meeting or if all the Directors decline to take the chair, then the members present shall choose one of their members to be Chairman of the meeting.

**Adjournment of the meeting**

73. The Chairman may, with the consent of any meeting at which a quorum is present and shall, if so directed by the meeting, adjourn that meeting from time to time and from place to place; but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**Question at General Meeting how decided**

74. At any General meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded as per the Act or the voting is carried out electronically as per section 108 of the Act and Rules thereon, be decided on a show of hands., A declaration by the Chairman that a resolution has, on a show of hands been carried unanimously or by a particular majority or lost and an entry to that effect in the book of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against that resolution.

**Casting Vote**

75. In the case of an equality of votes, the Chairman shall, both on a show of hand and on a poll, have casting vote in addition to the vote or votes to which he may be entitled as a member.

**Taking of poll**

76. If a poll is duly demanded in accordance with the provisions of Section 109 of the Act it shall be taken in such manner as the Chairman directs, and the result of the poll shall be deemed to be decision of the meeting on the resolutions on which the poll was taken.

**In what cases poll taken without adjournment**

77. A poll demanded on the election of Chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than 48 hours from the time when demand was made, as the Chairman may direct.

**No member entitled to vote while call due to the Company**

78. No member shall be entitled to vote either personally or by proxy at any General Meeting or meeting of a class of share holders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any call or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right of lien.

79. Subject to the provisions of these Articles, and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member, not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid up Equity Share Capital of the Company. Provided, however; if any preference Shareholder be present at any meeting of the Company, save as provided under second proviso to sub section ( 2) of Section 47 of the Act, he shall have right to vote only on resolutions placed before the meeting which directly affect the rights attached to the Preference Shares.

### **Validity of votes**

80. (1) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote disallowed at such meeting shall be valid for all purposes.
- (2) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

### **Business may proceed notwithstanding demand for poll**

81. A demand for a poll shall not prevent the continuance of the meeting for the transaction of any other business than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or the persons who made the demand.

### **Vote by joint holders**

82. If there be joint registered holders of any share, any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint-holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name shares stand shall, for the purpose of these Articles, be deemed joint holders thereof.

### **Vote on behalf of member of unsound mind or minor**

83. A member of unsound mind, or in respect of whom an order had been made by any court having jurisdiction in lunacy, or minor, may vote, whether on a show of hands, or on a poll, by his nominee or other legal guardian, and any such nominee or guardian may, on a poll, vote by proxy.

### **Proxies permitted on polls**

84. On a poll, votes may be given either personally or by proxy.

### **Instrument of proxy**

85. (1) The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly authorized in writing, or if the appointer is a corporation either under the common seal or under the hand of an officer or attorney so authorized. Any person may act as proxy whether he is a member or not.
- (2) A corporate body (whether a Company within the meaning of the Act or not) may, if it is a member or a creditor or a debenture holder of the company, by the resolution of its Board of Directors or other governing body authorise such person as it think fit to act as its representative at any meeting of any class of members of the Company or at any meeting of any creditors of the Company held in pursuance of the Companies Act or any Rules made there-under or in pursuance of the provisions contained in any Debenture Trust Deed as the case may be. The person so authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as that body could exercise if it were an individual member, creditor or holder of debenture of the Company.
- (3) So long as an authorisation under clause (2) above is in force, the power to appoint proxy shall be exercised only by the person so appointed as representative.

### **Proxy to be deposited at the office**

86. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the Registered office of the Company, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of a poll, not less than 24 hours before the

time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

**Validity of vote by proxy**

87. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death of appointer, or the revocation of the proxy, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the Registered Office of the Company before the commencement of the meeting or adjourned meeting at which proxy is used.

**Form of proxy**

88. The instrument appointing a proxy shall be in the form specified in the Rules made under Section 105 of the Act or otherwise prescribed by the Act from time to time.

**Time for objections to votes**

89. No objection shall be made to validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

**Chairman of any Meeting to be the Judge of validity of any vote**

90. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

**MINUTES**

91. (1) The Company shall comply with the requirements of Section 118 of the Act, in respect of keeping of the minutes of all proceedings of every General Meeting and of every meeting of the Board or any committee of the Board and resolutions passed by postal ballot.
- (2) The Chairman of the meeting may exclude at his absolute discretion such of the matters, as, or could reasonably be regarded as, defamatory of any person, irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

**DIRECTORS**

**Number of Directors**

92. Until otherwise determined by a General Meeting and subject to Section 149 of the Act, the number of Directors shall not be less than three and not more than fifteen. Provided that so long as the Kerala State Industrial Development Corporation Limited (KSIDC) and Nitta Gelatin Inc. (NITTA) hold shares in the Company, the representatives of KSIDC and NITTA on the Board shall be as per the promotional agreement between KSIDC and NITTA.

93. The First Directors of the Company -  
K.T. Chandy Mitsuru Izumi  
P.J. Thomas Seiichi Nitta  
M.R.C Warriar Tadashi Nishino

**Remuneration of Directors**

94. Subject to the provisions of Sections 197 of the Act, a Director who is in the Whole-time employment of the Company may be paid remuneration either by way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

The fee payable to a Director (including a Whole-time Director, if any) for attending a meeting of the Board or committee thereof shall be such sum as may be determined by the Board from time to time not exceeding the maximum limits prescribed pursuant to Section 197(5) of the Act.

**Special remuneration of Directors performing extra services and reimbursement of expenses.**

95. (1) If any Director be called upon to perform extra services or special exertions or efforts (Which expression shall include work done by a Director as a Member of any Committee formed by the Directors) the Board may arrange with such Director for such special remuneration for extra services or special exertions or efforts either by a fixed sum or otherwise and such remuneration may be either in addition to or in substitution for his remuneration above provided, so however that;
- (a) the services rendered are of a professional nature: and
  - (b) in the opinion of the Nomination and Remuneration Committee, if the company is covered under sub- section (1) of section 178, or the Board of Directors in other cases, the director possess the requisite qualification for the practice of the profession.
- (2) The Board may allow and pay to any Director, who is not a bonafide resident of the place where the meeting of the Board is held and who shall come to such place for the purpose of attending a meeting, such sum as the Board may consider fair compensation for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be paid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.

**Qualification of Directors**

96. A Director shall require no share qualification.

**Additional Director**

97. The Directors shall have power at any time and from time to time to appoint any other person as a Director as an addition to the Board so that the total number of Directors shall not at any time exceed the maximum number as herein above mentioned under the Act. Any Directors so appointed shall hold office only until the conclusion of the next following Annual General Meeting of the Company and shall be eligible for re- election at such a meeting.

**Casual Vacancy**

98. If the office of any Director appointed by the company in General meeting is vacated before his term of office will expire in the normal course, the resulting a Casual vacancy occurring in the Board of Directors may be filled up by the Directors, and the person so appointed shall hold office up to the date on which the Director in whose place he is appointed would have held office if it had not been so vacated.

**Alternate Directors**

99. (1) The Board of Directors of the Company may appoint Alternate Director to act for a Director (hereinafter, called in this clause 'the Original Director') during his absence for a period of not less than three months from India.
- (2) An Alternate Director appointed under sub-clause (1) shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to India.
- (3) If the term of Office of the Original Director is determined before he so returns to India, any provision for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.

**Continuing Directors may act**

100. The continuing Directors may act notwithstanding any vacancy in their body, such that if the number falls below the minimum above fixed, the directors shall not, except for the purpose of filling up vacancies, act so long as the number is below the minimum.

### **Vacation of Office by Directors**

101. (1) The office of a director shall become vacant in case—
- (a) he incurs any of the disqualifications specified in section 164;
  - (b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
  - (c) he acts in contravention of the provisions of section 184 relating to entering into contracts or arrangements in which he is directly or indirectly interested;
  - (d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184;
  - (e) he becomes disqualified by an order of a court or the Tribunal;
  - (f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months:  
Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court;
  - (g) he is removed in pursuance of the provisions of this Act;
  - (h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company.

### **Director may contract with Company**

102. (1) Subject to the provisions of the Act, the Directors shall not be distinguished by reason of their office as such from contracting with the Company either as vendor, purchaser, lender, agent, broker, or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any Director or with any Company or partnership of or in which any Director shall be a member or otherwise interested be avoided, nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realised by such Contract or arrangement by reason only if such Director holding the fiduciary relation thereby established; but the nature of the interest must be disclosed by him or them at the meeting of the Board at which the contract or arrangement is determined, or if the interest then exists or in any other case at the meeting of the Board after the acquisition of the interest.  
Provided however that such contract shall unless they are capable of being shown as having been entered in its ordinary course of business in arm's length basis, be entered with the consent of the Board of Directors given by a resolution at a meeting of the Board and subject to such conditions as may be prescribed thereat. Provided also that it shall further be subject to condition prescribed in the Act regarding an approval by special resolution, by the General Board of shareholders. Provided nevertheless that no Director shall, take part in the discussion of vote as a Director in respect of any contract or arrangement in which he is so interested as aforesaid and if he does so, his vote shall not be counted, but he shall be entitled to be present at the meeting during the transaction of the business in relation to which he is precluded from voting although he shall not be counted for the purpose of ascertaining whether there is quorum of Directors present. This provision shall not apply to any contract by or on behalf of the Company to give the Directors or any of them any security by way of indemnity against any loss which they or any of them suffer by becoming or being sureties for the Company or to any contract or arrangement entered into or to be entered into with a public Company; a private which is a subsidiary of a public Company, in which the interest of the Director aforesaid consists solely in his being a Director of such Company and the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as Director thereof, he having been nonthated as such Director by the Company.

- (2) A general notice that any Director is a Director or a member of any specified company or is a member of any specified firm and is to be regarded as concerned or interested in any subsequent transaction with such company or firm shall, as regards any such transaction be sufficient disclosure of the concern or interest under this article, and after such general notice it shall not be necessary to give any special notice relating to any particular transaction with such company or firm.
- 3) A Director may be, or become, a Director or member of any Company promoted by this Company or in which this Company may be interested as vendor, shareholder or otherwise and no such director shall be accountable to the Company for any benefits received as a director or member of such company.

#### **Rights of Directors**

103. Except as otherwise provided by these Articles, all the Directors of the Company shall have in all matters equal rights and privileges and be subject to equal obligations and duties in respect of the affairs of the Company.

### **RETIREMENT OF DIRECTORS**

#### **Rotation and retirement of Directors**

104. (1) At every Annual General Meeting of the Company one-third of Directors who are liable to retire by rotation for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.
- (2) Ex-Officio Directors shall not be liable for retirement by rotation.
- (3) The term Ex-Officio Director means any Technical, Special or Debenture Director appointed under Article 129 below reading, 'nomination of Directors'

#### **Retiring Director eligible for re-election**

105. A retiring Director shall be eligible for re-election .The Company at the General Meeting at which a Director retires in the manner aforesaid may fill up the vacancy by appointing the retiring Director or some other person thereat.

#### **Which Directors to retire**

106. The Directors to retire in every year shall be those who have been longest in office since their last election; but, as between persons who became Directors on the same day, those to retire shall, unless otherwise agreed among themselves, be determined by lot.

#### **Retiring Director to remain in office till successor's appointment**

107. If at any General Meeting at which an election of Directors ought to take place, the place of any retiring Director is not filled up, and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned to the same day in the next week at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting also the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, then the retiring Director whose place has not been so filled up shall be deemed to have been re-elected at the adjourned meeting, unless:
  - (i) At the meeting or at the previous meeting, a resolution for the re appointment of such Director has been put to the meeting and lost:
  - (ii) The retiring Director has, by a notice in writing addressed to the Company or the Board of Directors, expressed his unwillingness to be so re-appointed:
  - (iii) He is not qualified or is disqualified for appointment;
  - (iv) A Resolution, whether Special or Ordinary, is required for his appointment or re-appointment by virtue of any provisions of the Act.
  - (v) Section 162 shall be applicable to any such appointment.

#### **Power of General Meeting to increase or reduce number of Directors**

108. Subject to the provisions of section 149,151 and 152, of the Act the Company in General Meeting may increase or reduce the number of Directors and may also determine in what rotation the increased or reduced number is to retire.



### **Power to remove Directors by ordinary resolution**

109. Subject to the provisions of Section 169 of the Act, the Company may by an ordinary resolution remove any Director before the expiration of his period of office and by an ordinary resolution appoint another person in his stead; the person so appointed shall be subject to retirement at the same time as if he had become a Director in the day on which the Director in whose place he is appointed was last elected as Director.

### **Right of persons other than retiring Directors to stand for Directorship**

110. A person not being retiring Director shall be eligible for appointment to the office of a Director at any General Meeting if he or some other member intending to propose him as a Director has, not less than 14 days before the meeting, left at the Registered Office of the Company a notice in writing under his hand signifying his candidature for the Office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be; alongwith a deposit of Rs.1,00,000/- (Rupees One lakhs) which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of the total valid votes either on show of hands or on poll on such resolution provided that such person by himself or by his agent authorised in writing has signed and filed with the Registrar a consent in writing to act as such Director.

## **PROCEEDINGS OF DIRECTORS' MEETINGS**

### **Meeting of the Board**

111. (1) The Board may meet for the dispatch of business, adjourn and otherwise regulate the meetings, as they think fit, provided that . the Board shall meet atleast once in every calendar quarter, with a maximum interval of 120 days between any two consecutive meetings of the Board, such that at least 4 meetings are held in each calendar year.
- (2) The Chairman may at any time and the Manager, Secretary or such other Officer of the Company as may be authorized by the Board, shall upon the requisition of one – third number of members of the Board as are in office, convene a meeting of the Board. If, within 15 days of the requisition in writing to convene a meeting of the Board, the chairman or the authorized official fails to convene the meeting, the requisitionists themselves may convene a meeting of the Board.
- (3) A meeting of the Board shall be called by giving not less than seven days' notice in writing to every director at his address registered with the Company and such notice shall be sent by hand delievery or by post or by electronic means.  
Provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that atleast one independent director, if any, shall be present at the meeting:  
Provided further that in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by atleast one independent director, if any.

### **Quorum**

112. The quorum for a meeting of the Board shall be one-third of the total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher, and the participation of the directors by video conferencing or other audio visual means shall also be counted for the purpose of quorum provided that where at any time the number of interested Directors is equal to or exceeds two thirds to total strength, the number of the remaining Directors, that is to say the number of the Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors, actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any, whose places are vacant at the time. The term "interested Director" means any director within the meaning of section 184(2) of the Act.

**Question how decided**

113. (1) Save as otherwise expressly provided in the Act, a meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally, and all questions arising at any meeting of the Board shall be decided by a majority of the Board.

In case of an equality of Votes, the Chairman shall have a second or casting vote in addition to his vote as a Director Provided that the Chairman shall not have a casting vote at the election of a Chairman of the Board.

**Chairman**

114. (1) The Chairman of the meetings of the Board of Directors of the Company will be appointed as per Article 121
- (2) If a person has been appointed as Chairman under clause (1) above or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their numbers to be Chairman of the meeting.

**Committee**

115. (1) The Board of Directors may, from time to time, appoint one or more committees consisting of one or more members of their body, as the Board may deem fit.
- (2) The quorum of a Committee may be fixed by the Board and until so fixed if the Committee is of a single member or two members the quorum shall be one and if more than two members it shall be two.

**Election of Chairman of the Meeting of the Committee**

116. If the Chairman of the Board is a member of the Committee, he shall preside over all meetings of the Committee. If the Chairman is not a member thereof, the Committee may elect a Chairman of its meetings; if no such Chairman is elected or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members of the Committee present may choose one of their numbers to be Chairman of the meeting.

**Question how determined**

117. (1) A Committee may meet and adjourn as it thinks proper.
- (2) Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be, and in case of an equality of votes, the Chairman shall have a second or casting vote in addition to his vote as a member of the Committee.

**Acts done by Board or Committee valid notwithstanding defective appointment etc.**

118. All Acts done by any meeting of the Board or a Committee thereof, or by any person acting as Director shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director and such persons had been duly appointed and was qualified to be a Director.

**Resolution by Circulation**

119. Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee, then in India, not being less in number than the quorum fixed for the meeting of the Board or the Committee as the case may be and to all other Directors or members of the Committee at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote on the resolution shall be as valid and effectual as if it had been a resolution duly passed at a meeting of the Board or Committee duly convened and held.

## **POWER AND DUTIES OF DIRECTORS**

### **Powers of Company vested in Directors**

120. (A) The business of the Company shall subject to the provisions thereof be managed by the Board of Directors; who may exercise all such powers of the Company as are not by the Act of any statutory modification thereof for the time being in force, or by these presents; required to be exercised by the Company in General meeting, subject nevertheless to any regulation of these presents, to the provisions of the said Act, and to such regulation being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting, but no regulation made by Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- (B) Without prejudice to the generality of the powers conferred by the last preceding clause, and the other powers conferred by these presents, it is hereby expressly declared that the Directors shall have the following powers, that is to say, powers:-
- (1) To carry on and transact the several kinds of business specified in Clause III of the Memorandum of Association of the Company.
  - (2) To draw, accept, endorse, discount, negotiate and discharge on behalf of the Company all bills of exchange, promissory notes, cheques, hundies, drafts, railway receipts, dock warrants, delivery orders, Government promissory notes, other Government instrument bonds, debentures or debenture stock of Corporations, Local Bodies, Port Trusts, Improvement Trusts or other Corporate Bodies and to execute transfer deeds for transferring stocks, share or stock certificates of the government and other local or corporate bodies in connection with any business or any subject of the Company.
  - (3) To acquire by purchase, lease, exchange, or otherwise, land, estates, fields, office, showrooms, godowns and other buildings in the State of Kerala or elsewhere, machinery, engine, plant or rolling stock, tools, machine tools, outfits, stores, hardware and any other materials of whatever description either for credit or for cash and present or future delivery.
  - (4) At their discretion, to pay for property rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities, of the company and any such shares may be issued either as fully paid up or with amount credited as paid up thereon as may be agreed upon and any such bonds, debentures or other securities may be either specifically charged upon all or any of the Company or not so charged.
  - (5) To engage and in their discretion to remove, suspend, dismiss and remunerate bankers, legal advisers, accountants, cashiers, clerks, agents, commission agents, dealers, brokers, foremen, servants, employees of every description and to employ such professional or technical or skilled assistants as from time to time may in their opinion be necessary or advisable in the interest of the Company and upon such terms as to duration of employment, remuneration or otherwise and may require security in such instances and to such amounts as the Directors think fit.
  - (6) To secure the fulfillment of any contracts or agreements entered into by the Company, by mortgage or charge of all or any of the property of the Company or in such other manner as they may think fit.
  - (7) To institute, conduct, defend, compound or abandon any actions, suits and legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also to compound or compromise or submit to arbitration the same actions, suits and legal proceedings.
  - (8) To plant, develop, improve, cutdown, process, sell or otherwise dispose of the products of the Company and to incur all expenses in this behalf.

- (9) To make and give receipts, releases and other discharges for money payable to the Company and for the claims and demands of the Company.
- (10) To determine who shall be entitled to sign on the Company's behalf bills of exchange, promotes, dividend warrants, cheques and other negotiable instruments, receipts, acceptances, endorsements, releases, contracts, deeds and documents.
- (11) From time to time provide for the management of the affairs of the Company in any specific locality in India or abroad in such manner as they think fit and in particular to appoint any persons to be the attorneys or agents of the Company either abroad or in India with such powers including power to sub- delegate and upon such terms as may be thought fit.
- (12) To invest and deal with any of the moneys of the Company not immediately required for the purpose thereof upon such securities as they think fit.
- (13) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgage of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.
- (14) To give to any person employed by the Company a commission of the profits of any particular business or transactions, or a share in the general profits of the Company, and such commission, or share of profits, shall be treated as part of the working expenses of the Company.
- (15) From time to time make, vary and repeal bylaws for the regulation of the business of the Company, its officers and servants.
- (16) To enter into all such negotiations and contracts, and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid, or otherwise for the purpose of the Company.
- (17) To pay gratuities, bonus rewards, presents and gifts, to employees or dependants of any deceased employees, to charitable institutions or purposes, to subscribe for provident funds, and other associations for the benefit of the employees.
- (18) (i) To appoint or remove Key Managerial Personnel (KMP )  
(ii) To take note of appointment(s) or removal (s) of one level below the the Key Managerial Personnel:  
(iii) To appoint internal auditors and secretarial auditor;
- (19) To authorize buy-back of securities under section 68 of the Act,
- (20) To have an official seal for use abroad.
- (C) (1) The Board of Directors of a company shall exercise the following powers on behalf of the company by means of resolutions passed at meetings of the Board, namely:—
  - (a) to make calls on shareholders in respect of money unpaid on their shares;
  - (b) to authorise buy-back of securities under section 68;
  - (c) to issue securities, including debentures, whether in or outside India;
  - (d) to borrow monies;
  - (e) to invest the funds of the company;
  - (f) to grant loans or give guarantee or provide security in respect of loans;
  - (g) to approve financial statement and the Board's report;
  - (h) to diversify the business of the company;
  - (i) to approve amalgamation, merger or reconstruction;

- (j) to take over a company or acquire a controlling or substantial stake in another company;
  - (k) any other matter which may be prescribed as per the rules framed under the Act.
- (2) The Board may by a resolution passed at meeting delegate to any Committee of the Board, if any, powers specified in sub-clauses (d), (e), and (f) of clause (1) above.
  - (3) Every resolution delegating the power set out in sub-clause (d) of clause (1) above shall specify the total amount outstanding at any one time upto which the money may be borrowed by the said delegatee.
  - (4) Every resolution delegating the power referred to in sub-clause (e) of clause (1) above shall specify the total amount upto which the funds may be invested and the nature of investments which may be made by the delegatee.
  - (5) Every resolution delegating the power referred to in sub-clause (f) of clause (1) above shall specify the total amount upto which loans may be made by the delegatee, the purposes for which the loans may be made and the maximum amount of the loan that may be made for each such purpose in individual cases.

**Appointment and powers of Managing Directors/Whole-time Directors/Technical Directors**

121. (1) Subject to the provisions of the Act, the Board may appoint Managing Director or Managing Directors, Whole-time Director or Whole-Time Directors or Technical Director or Directors at such remuneration and upon such conditions as they may think fit. So long as the Kerala State Industrial Development Corporation (KSIDC) and Nitta Gelatin Inc. (NITTA) hold shares in the Company, the Chairman of the Company and the Managing Director of the Company shall be appointed as per the promotional agreement between KSIDC and NITTA.
- (2) A Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire, but (subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Directors of the Company, and he shall, ipso facto and immediately, cease to be a Managing Director or Whole-time Director or Technical Director if he ceases to hold the office of Director from any cause.
- (3) Subject to the provisions of the Act and to the general supervision and control of the Board, any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors or Technical Director or Technical Directors shall have the general direction, management and superintendence of the business of the Company with power to do all acts, matters and things deemed necessary, proper or expedient for carrying on the business and concerns of the Company, including power to appoint, suspend and dismiss officers, staff and workmen of the Company, to make and sign all contracts and receipts and to draw, accept, endorse and negotiate on behalf of the Company all such Bills of Exchange, Promissory Notes, Hundies, Cheques, Drafts, Government Promissory Notes, or other Government papers and other instruments as shall be necessary, proper or expedient for carrying on the business of the Company and to operate on the bank accounts of the Company and to represent the Company in all suits and all other legal proceedings and to engage Solicitors, Advocates and other Agents and to sight the necessary papers, documents and instruments of authority, to appoint agents or other attorneys and to delegate to them such powers as the Managing Director or Managing Directors or Whole-time Director or Whole-time Directors or Technical Director or Technical Directors may deem fit and at pleasure, such powers to revoke and generally to exercise all such powers and authorities as are not by the Companies Act for the time being in force or

by these Articles expressly directed to be exercised by the Board of Directors or by the Company in General Meeting.

- (4) The Managing Director or Managing Directors or Whole-time Director or Whole-time Directors or Technical Director or Technical Directors shall not exercise the powers to
- (a) make calls on shareholders in respect of money unpaid on their shares in the Company;
  - (b) issue debentures; and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the powers to:-
  - (c) borrow moneys, otherwise than on debentures;
  - (d) invest the funds of the Company; and
  - (e) make loans
- (5) Technical Director or Technical directors shall advise the Board on technical matters and perform such duties and shall exercise such powers as are assigned to him or them by the Board.
- (6) The Company shall not appoint or employ, or continue the appointment or employment of, a person as its Managing or Whole-time Director or Technical Director who
- (a) is an undischarged insolvent, or has at any time been adjudged an insolvent;
  - (b) suspends, or has at any time suspended, payment to his creditors, or makes, or has at any time made a composition with them; or
  - (c) is, or has at any time been, convicted by a Court of an offence involving moral turpitude.

#### **Entrenchment Provision**

- 121.A If any amendment is sought to be made in respect of Article 121 of these articles as aforesaid, which largely form part of the Promotional Agreement as modified from time to time, which is a shareholding agreement subsisting interse between the promoters i.e Nitta and KSIDC, such an amendment(s), whatsoever shall not have any effect, so long as the Promotional Agreement, as amended from time to time exists as part of the Joint Venture and unless the Company obtains consent in writing from Promoters i.e Nitta and KSIDC, for the amendment(s) sought to be made.

#### **Legal Proceedings**

122. Any Managing Director or the Secretary for the time being or any other person duly authorised by the Directors shall be entitled to make, give, sign and execute all and every warrant to sue or defend on behalf of the Company, all and every legal proceedings and compositions or compromise, agreement, and submission to arbitration and agreement to refer to arbitration as may be requisite, and for the purpose aforesaid, the Secretary, or such other person may be empowered to use their or his own name on behalf of the Company, and they or he shall be saved harmless and indemnified out of the funds and property of the Company, from and against all costs and damages which they may incur or be liable to by reason of their or his name being so used as aforesaid.

#### **Powers to Delegate to Directors**

123. Subject to the provisions of Section 179 of the Act and the other provisions of the Act, the Board may delegate from time to time and at any time to a Committee formed out of the Directors or to any Directors jointly or severally or to any one Director, any of the powers, authorities and discretions for the time being vested in the Board and any such delegation may be made on such terms and subject to such conditions as the Board may think fit.

#### **Attorney of the Company**

124. The Board may appoint at any time and from time to time by a power of attorney under the Company's seal any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such

conditions as the Board may from time to time think fit, and any such appointment may, if the Board think fit, be made in favour of the members, or any of the members of any firm or Company or the members, directors, nominees or manager of any firm or Company or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board, and any such power of attorney may contain such provision for the protection or convenience of persons dealing with such attorney as the Board may think fit.

**Duty to Maintain Register etc. and Record of Minutes**

125. The Board shall duly comply with provisions of the Act and in particular with the provisions in regard to the registration of the particulars of the mortgages and charges affecting the properties of the Company or created by it and to keeping a Register of the Directors and to sending to the Registrar an annual list of members and a summary of particulars of shares and stock and copies of special resolutions and such other resolutions of the Board as are required to be filed with the Registrar under Section 117 of the Act and a copy of the Register of Directors and notification of any changes therein.

126. **Secretary**

The Board shall have power to appoint as the Secretary a person fit in their opinion for the said office, for such period and on such terms and conditions as regards remuneration and otherwise as they may determine. The Secretary shall have such powers and duties as may, from time to time, be delegated or entrusted to him by the Directors besides such duties as are envisaged under the Act, Rules and regulations thereon.

**Powers as to Commencement of Business or Branch of Business**

127. Any branch or kind of business which by the Memorandum of Association of the Company or these presents is expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as they shall think fit and further may be kept in abeyance whether such branch or kind of business may have been actually commenced or not so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.

**BORROWING**

**Borrowing**

128. (1) The Board of Directors may from time to time but subject to such consent of the Company in general meeting as may be required under Section 180 of the Act, raise any money or any moneys or sums of money for the purpose of the Company provided that the moneys to be borrowed by the Company apart from temporary loans obtained from the Company's bankers in the ordinary course of business shall not without the sanction of the Company at a general meeting exceed the aggregate of the paid-up Capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose and in particular, but subject to the provisions of Section 179 of the Act, the Board may from time to time at their discretion raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company, by the issue of debentures, perpetual or otherwise, including debentures convertible into shares of this or any other Company or perpetual annuities and in security of any such money so borrowed, raised or received mortgage, pledge or charge, the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled Capital, by special assignment or otherwise, or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities.

Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

- (2) The Directors may by a resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors within the limits prescribed.
- (3) Subject to the provisions of the above sub-clauses, the Directors may, from time to time, at their discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company, at such time and in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes, or by opening current accounts, or by receiving deposits and advances with or without security, or by the issue of bonds, perpetual or redeemable debenture stock of the Company charged upon all or any of the part of the property of the Company (both present and future) including its uncalled capital for the time being, or by mortgaging or charging or pledging any lands, buildings, goods or other property and securities of the Company, or by such other means as to them may seem expedient.
- (4) Such debentures, debenture-stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

#### **Nomination of Directors**

129. (a) The Board of Directors may at any time appoint any suitable person as a Technical Director of the Company and thereupon such person shall not be liable for retirement by rotation and shall not be required to hold any qualification shares. The Board of Directors may determine the period for which such person shall hold office as such Technical Director either or till the happening of any contingency or subject to any condition.
- (b) Notwithstanding anything to the contrary contained in these Articles, so long as any monies remain owing by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), the Industrial Credit & Investment Corporation of India Ltd. (ICICI) and Life Insurance Corporation of India (LIC) or to any other Finance Corporation or Credit Corporation or to any other Financing Company or Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC and Unit Trust of India (UTI) or any other Financing Corporation or Credit Corporation or any other Financing Company or Body (each of which IDBI, IFCI, ICICI, LIC and UTI or any other Finance Corporation or Credit Corporation or any other Financing Company or body is hereinafter in this Article referred to as "the Corporation") continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the corporation on behalf of the company remains outstanding, the Corporation shall have a right to appoint from -time to time, any person or persons as a Director or Directors, whole-time or non whole-time, (which Director or Directors is /are hereinafter referred to as "Nominee Director/s") on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.
- (c) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/ s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such nonthee Director/s shall not be liable to retirement by rotation of Directors, provided however that the right to appoint non-rotational Directors shall not be limited to the Industrial Credit and Investment Corporation of India, Industrial Finance Corporation of India, a State Financial Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by the Central Government or State Government by themselves. Subject as aforesaid, the Nominee Director/s shall



- be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (d) The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold Debentures/ Shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.
  - (e) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/ate member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
  - (f) The Company shall pay to the Nominee Director/s sitting fees and expenses which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the company, the fees, commission, monies and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the company to the Corporation or as the case may be to such Nominee Director/s.
  - (g) Provided that if any such Nominee Director/s is an Officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.
  - (h) Provided further that if such Nominee Director/s is an Officer of the Reserve Bank of India, the sitting fees in relation to such Nominee Director/s shall also accrue to IDBI and the same shall accordingly be paid by the Company directly to IDBI.
  - (i) In the event of the Nominee Director/s being appointed as Whole-time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to whole-time Director/s in the Management of the affairs of the Company. Such whole-time Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

**Terms of Debenture Issues**

130. Any such debentures, debenture stock, bonds or other securities may be issued at a discount, subject to provisions of the Act at premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares of the Company, or otherwise provided that Debentures, Debenture Stock, Bonds and other securities with the right to allotment of or conversion into shares or option or right to call for allotment of shares shall not be issued except with the sanction by a Special Resolution of the Company in General Meeting and subject to such approval of the Central Government as may be required.

**Register of Mortgages**

131. The Directors shall cause a proper register to be kept in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the Registration of Mortgages and charges therein specified and otherwise.

### **Charge on Uncalled Capital**

132. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Board may by instrument under the Company's seal authorise the person in whose favour such mortgage or security is executed, or any other person in trust for him to make calls on the members in respect of such uncalled capital and the provisions hereinbefore contained in regard to calls, shall mutatis mutandis apply to such calls and power to make such calls may be made exercisable either conditionally or unconditionally and either to the exclusion of the Board's power or otherwise, and shall be assignable if expressed so to be.

### **Subsequent Assignees of uncalled Capital**

133. Where any uncalled capital of the Company is charged, all persons taking any subsequent charge thereon shall take the same to such prior charge and shall not be entitled, by notice to the shareholders or otherwise, to obtain priority over such prior charge.
134. If the Directors or any of them or any other persons shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

## **COMMON SEAL**

### **Common Seal**

135. The Board shall provide a Common Seal for the Company and shall have power from time to time to cancel the same and substitute a new seal in lieu thereof. The Common Seal shall be kept at the Registered Office of the Company and committed to the custody of the Secretary, provided however that the common seal shall not be mandatory; as much as provided for under the amended Section 9, Section12, Section22, Section46, and Section 223 of the Companies Act 2013.

### **Affixture of Common Seal**

136. If so required, the Seal shall be affixed to any instrument only on authority of the resolution of the Board or of a committee of the Board authorised by it in that behalf and unless the Board otherwise determines every deed or other instrument to which the seal is required to be affixed shall, except where the same is executed by a duly constituted attorney for the company, be signed by two Directors in whose presence the seal shall have been affixed and also signed by the Secretary or such other person as may from time to time be authorised by the Board.

## **DIVIDENDS AND RESERVES**

### **Right to Dividend**

137. The profits of the Company (including capital profits) subject to any special rights relating thereto created or authorised to be created by these presents, and subject to the provisions of these presents, as to the Reserve Funds, shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively on the last day of the year of account in respect of which such dividend is declared and in the case of interim dividends on the close of the last day of the period in respect of which such interim dividend is paid.
138. Where capital is paid up on any shares in advance of calls, upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

### **Declaration of Dividends**

139. The company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

### **Interim Dividend**

140. Subject to provisions of the Act, the Board may from time to time pay to the members such interim dividends as appear to them to be justified by the profits of the company.

**Dividends to be paid out of profits only**

141. No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by section 123 of the Act.

**Reserve Funds**

142. Subject to the provisions of the Act:-

- (1) the Board may before recommending any dividends set aside out of the Profits of the Company such sum as they think proper as a reserve or reserves, which shall at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends, and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may from time to time think fit, and
- (2) the Board may also carry forward any profits which they may think prudent not to divide, without setting them aside as Reserve.

**Method of payment of Dividend**

143. (1) Subject to the rights of persons if any entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amount paid up or credited as paid up on the shares in respect whereof the dividend is paid.
- (2) No amount paid or credited as paid on the share in advance of calls shall be treated for the purposes of these regulations as paid on the share.
- (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

**Deduction of Arrears**

144. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the Company.

**Adjustments of Dividends against Calls**

145. Any General Meeting declaring a dividend or bonus may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend or bonus payable to him and so that the call can be made payable at the same time as the dividend or bonus and the dividend or bonus may if so arranged between the Company and themselves be set off against the call.

146. **Payment of dividend**

- (i) BY ECS/NEFT

For payment of dividend, the Company may use, either directly or through its Registrars and Share Transfer Agent (RTA), any RBI (Reserve Bank of India) approved electronic mode of payment such as Electronic Clearing Services (ECS)/National Electronic Fund Transfer (NEFT); to enable payment whereof, the bank details of individual shareholder should be obtained.

- (ii) In case where either the Bank details such as magnetic Ink character, Recognition (MICR), Indian Financial System Code (IFSC CODE) required for making electronic payment not available, or the electronic payment instruction have failed or have been rejected in the payment process, the company may use physical payment instruction for making payment of dividend to the investors.

**Payment of Dividend by Cheque or Warrant**

147. (a) Any dividend, interest or other moneys payable in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or in the case of joint holders to the registered address of that one of

the joint holders who is first named on the Register of members or to such person and to such address as the joint holders may in writing direct.

- (b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (c) Every such cheque or warrant shall be posted within forty-two days from the date of declaration of dividend.
- (d) No unclaimed dividend shall be forfeited by the Board while the Company shall comply with the provisions of Section 124 and Section 125 of the Act.

**Receipt of joint Holders:**

148. Any one of two or more joint holders of a share may give effectual receipts for any dividends, bonuses or other moneys payable in respect of such share.

**Dividends not to Bear Interest**

149. No dividend shall bear interest against the Company.

**Transfer of Shares not to Pass Prior Dividends**

150. Any Transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

**Notice of dividend**

151. Notice of any dividend that may have been declared shall be given to the persons entitled to the concerned share in the manner mentioned in the Act.

## **CAPITALISATION OF PROFITS**

**Capitalisation of Profits**

152. (1) The Company in General Meeting, may on the recommendation of the Board, resolve:-
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution as dividend, or representing Premiums received on the issue of shares and standing to the credit of share premium account be capitalised as herein below
  - (b) that such sums be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) below, either in or towards:
- (i) paying up any amount for the time being unpaid on any shares held by such members respectively;
  - (ii) paying up in full, unissued shares of the Company to be allotted and distributed and credited as fully paid-up to and amongst such members in the proportion aforesaid; and
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii)
- (3) A share premium Account and a Capital Redemption Reserve Account may for the purpose of this regulation only be applied in paying up of unissued shares to be issued to members of the Company as fully paid up bonus shares.
- (4) The Board shall give effect to resolutions passed by the Company in General Meeting in pursuance of this Article.

**Powers of Directors for Declaration of Bonus**

153. (1) Whenever such a resolution as aforesaid shall have been passed the Board shall:
- (a) make all appropriations and applications of the undivided profits resolved to be thereby capitalised and all allotments and issues of fully paid up shares or debentures, if any.
  - (b) generally, to do all acts and things required to give effect thereto.
- (2) The Board shall have full power:

- (i) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as they think fit, in the case of shares or debentures becoming distributable in fractions and also
  - (ii) to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to him respectively credited as fully paid-up, of any further shares or debentures to which they may be entitled upon such capitalisation, or (as the case may require.), for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares
- (3) Any agreement made under the authority shall be effective and binding on all such members.

## **ACCOUNTS**

### **Books of Account**

154. (1) The Board shall cause proper books of accounts to be kept in respect of sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure take place, of all sales and purchase of goods by the Company, and of the assets and liabilities of the Company.
- (2) If the Company shall have branch office, whether in or outside India, proper books of account relating to the transactions effected at that office, shall be kept at that office, and proper summarised returns, made up to date at intervals of not more than three months, shall be sent by the branch office to Company at the Registered Office, or other places in India as the Board think fit, where the main books of the Company are kept.
- (3) Provided that all or any of the Books of accounts aforesaid may be kept at such other place in India, as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
- (4) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch, as the case may be, with respect to the matters aforesaid, and explain its transactions.

### **Inspection of Members**

155. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorised by the Board or by a resolution of the Company in General Meeting.

### **Statement of Account to be furnished to Annual General Meeting**

156. Once atleast in every calendar year, the Board shall lay before the Company in Annual General Meeting a Profit and Loss Account for Financial Year of the Company immediately preceding the Financial Year in which such meeting is held and a Balance Sheet containing a summary of the assets and liabilities of the Company made up as at the end of the last working day of that financial year or in case where an extension of time has been granted for holding the meeting up to such extended time and every such Balance Sheet, shall as required by Section 134 of the Act, be accompanied by a report (to be attached thereto) of the Directors as to the state and condition of the Company and as to the amount (if any) which they recommend to be paid out of the profits by way of dividend and the amount (if any) set aside by them for the Reserve Fund, general reserve or Reserve Account shown specifically in the Balance Sheet or to be shown specifically in a subsequent Balance Sheet.

### **Balance Sheet and Profit and Loss Account**

157. (1) Subject to the provisions of Section 129 of the Act every Balance Sheet and Profit and Loss Account of the Company shall be in the forms set out in part I and II respectively of Schedule III of the Act or as near thereto as circumstances admit.
- (2) So long as the Company is a holding Company having a subsidiary, the Company shall conform to other relevant provisions of the Act.
- (3) If in the opinion of the Board any of the current assets of the Company may not have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

### **Authentication of Balance Sheet and Profit and Loss Account**

158. The Balance Sheet and Profit and Loss Account shall be signed by at least four Directors including the Chairman and the Managing Director where there is one, and two other directors, the Chief Financial Officer and the Company Secretary or such other person/s authorized by the Board. The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with provisions of this Article and before they are submitted to the Auditors for their Report thereon. The Auditors' Report shall be attached to the Balance Sheet and the Profit and Loss Account or there shall be inserted at the foot of the Balance Sheet and the Profit and Loss Account a reference to the Report. A copy of such Balance Sheet and the Profit and Loss Account so audited together with a copy of the Auditors' Report and every other document required by law to be annexed or attached to the Balance sheet; more specifically the Director' Report in the manner envisaged under Section 134 of the Act and Rules thereon, shall not less than 21 days before meeting at which the same are to be laid before the Members of the Company be subject to the provisions of Section 136 of the Act, if so applicable, sent to every trustee for the holders of any debentures and to all persons other than such Members of Trustees, being so entitled.

After the Financial statement, including the consolidated financial statements, along with all the documents which are required to be attached to such financial statements under the Act have been laid before the Company at a General Meeting, shall be filed with the Registrar within thirty days of the date of Annual General Meeting.

### **Profit and Loss Account to be annexed and Auditors Report to be attached to the Balance Sheet**

159. The profit and Loss Account shall be annexed to the Balance sheet and the Auditors' Report including the Auditors' separate or supplementary report, if any, shall be attached thereto.

### **Rights of Members to copies of Balance Sheet and Auditors' Report**

160. The Company shall comply with requirements of section 136 of the Act with respect to right / request of members to receive copies of financial statements and reports thereon.

## **ANNUAL RETURNS**

### **Annual Returns**

161. The Company shall make the requisite annual returns in accordance with the Sections 92 of the Act.

## **AUDIT**

### **Accounts to be Audited**

162. Every Balance Sheet and Profit and Loss Account shall be audited by one or more Auditors to be appointed as hereinafter set out.

### **Appointment of Auditors**

163. (1) The appointment, resignation, power, rights, remuneration and duties of the Auditors shall be regulated by Sections 139 to 146 and Section 148 of the Act.
- (2) At any Annual General Meeting a retiring Auditor by whatsoever authority appointed, shall be re-appointed if.
- (a) he is qualified for re-appointment

- (b) he has not given the Company notice in writing of his unwillingness to be re-appointed;
  - (c) a special resolution has not been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or
- (3) Where at an Annual General Meeting no Auditors are appointed or re-appointed, the existing auditor shall continue to be the auditor of the Company as per Section 139 (10) of the Act.
  - (4) The Board may fill any casual vacancy in the office of an Auditor, within 30 days, so however that while any such vacancy continues, the remaining Auditor or Auditors (if any) may act but where such a vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting within three months of the recommendation by the Board.
  - (5) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member, to the Company not less than six weeks before the meeting in accordance with Section 140(4) of the Act and the Company shall send a copy of such notice to the retiring Auditor and shall give notice thereof to the members and all the other provisions regarding appointment of an auditor shall apply in the matter. The provisions of this clause shall also apply to a resolution that a retiring Auditor shall not be re-appointed.
  - (6) Any Auditor may before the expiry of his term be removed from the Office by the Company in General Meeting after obtaining the previous approval of the Central Government in that behalf.
  - (7) The person qualified for appointment as Auditor shall be only those referred to in Section 141 of the Act.

**Remuneration of Auditors**

164. The remuneration of the Auditors shall be fixed by the company in General Meeting except that the remuneration of any auditors appointed to fill any casual vacancy may be fixed by the Board.

**Rights and duties of Auditors**

165. (1) Every Auditor of the Company shall have right of access at all times to the books of accounts and vouchers of the Company and shall be entitled to require from the Directors and Officers of the company such information and explanation as may be necessary for the performance of his duties as Auditor.
- (2) All notices of, and other communications relating to, any General Meeting of the Company, which any member of the Company is entitled to have sent to him, shall also be forwarded to the Auditor and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends of any part of the business which concerns him as Auditor.
- (3) The Auditor shall make a report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other documents declared by this Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in General Meeting, during his tenure of office and the report shall state whether, in his opinion and the best of his information and according to the explanations given to him, the said accounts give the information required by this Act in the manner so required and give a true and fair view:-
  - (i) in the case of the Balance sheet, of the state of Company's affairs as at the end of its financial year; and
  - (ii) in the case of Profit and Loss Account, of the Profit or Loss for its financial year.
- (4) The Auditors' Report shall also state:
  - (a) Whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit.

- (b) Whether in his opinion, proper books of accounts as required by law have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him.
  - (c) Whether the report on the accounts of any branch office audited under Section 143(8) of the Act by a person other than the Company's auditor has been forwarded to him as required by the said Provisions and how he has dealt with the same in preparing Auditor's Report; and
  - (d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account and returns.
- (5) Where any of the matters referred to in items (i) and (ii) of sub-clause (3) above or in items (a), (b), (c) and (d) of sub-clause (4) above is answered in the negative or with a qualification, the Auditors' Report shall state the reason for the answer.
- (6) The accounts of the Company shall not be deemed as not having been and the Auditors' Report shall not state these accounts have not been, properly drawn up on the ground merely that the Company has not disclosed certain matters if:-
- (a) those matters are such as the Company is not required to disclose by virtue of any provisions contained in the Companies Act or any other Act, or
  - (b) those provisions are specified in the Balance Sheet and profit and Loss Account of the company.
- (7) The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

#### **Conclusiveness of Auditors Report**

166. Every Account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within the period the account shall forthwith be corrected and shall thenceforth be conclusive.

#### **SERVICE OF DOCUMENTS AND NOTICE**

##### **Service of documents on the Company**

167. A document may be served on the Company or any officer thereof by sending it to the Company or officer at the registered Office of the Company by registered post, or speed post or courier service by leaving it at the Registered Office, or by means of such electronic or other mode as may be prescribed.

##### **How Documents are to be served on members**

168. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgement or any other document in relation to or in the winding up of the Company) may be served or sent by the company or to any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or address, or by such electronic or other mode as may be prescribed.
- (2) All notices shall with respect to any registered shares to which persons are entitled jointly be given to whichever of such persons is named first in the Register, and notice so given shall be sufficient notice to all the holders of such shares.
- (3) Where a document is sent by post, service thereof shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document provided; that where a member has intimated to the Company in advance that the document should be sent to him by registered post with or without acknowledgment and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and such service shall be deemed to have been effected.
- i) in the case of a notice of a meeting at the expiration of forty eight hours after the letter containing the notice is posted; and



ii) in any other case, at the time at which the letters would be delivered in the ordinary course or post.

**Members to Notify Address in India**

169. Each Registered holder of shares shall from time to time notify in writing to the Company some place in India to be registered as his address and such registered place of address shall for all purposes be deemed his place of residence.

**Service on Members having no registered address in India**

170. If a member has no registered address in India and has not supplied to the Company an address within India for giving of notices to him, a advertisement in a newspaper circulating in the neighbourhood of the Registered Office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

**Service on persons acquiring shares on death or insolvency of members**

171. A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent or by any like description at the address (If any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

**Persons entitled to notice of General Meetings**

172. Notice of every meeting of the members of the Company is required to be given in writing to every member, Director, Debenture Trustee, and Auditors of the Company.

**Advertisement**

173. Subject to the provisions of the Act any document required to be served or sent to the members, or any of them by the Company and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised once in a newspaper circulating in the neighbourhood of the Registered Office of the Company.

**Members bound by documents given to previous holders**

174. Every person, who, by operation of law, transfer, or other means whatsoever shall become entitled to any share shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register, shall have been duly served on or sent to the person from whom he derives his title to such shares.

**How notice to be signed**

175. Any notice to be given by the Company shall be signed by the Secretary, or by such Director or officer as the Board may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

**Authentication of documents and proceedings**

176. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by the Secretary or a Director, or by any authorised officer of the Company and need not be under its Seal.

**WINDING UP**

**Winding up**

177. Subject to the provisions of the Act as to preferential payments, the assets of the Company shall on its winding up, be applied in satisfaction of its liabilities pari passu and, subject to such application shall, unless the articles otherwise provide, be distributed among the members according to their rights and interests in the Company.

**Division of assets of Company in specie among members**

178. If the company shall be wound up whether voluntarily or otherwise, the liquidators, may, with the sanction of a special resolution, divide among the contributories in specie or kind, any part of the assets of the company, and may with the like sanction vest any part of the assets of the company in trustees upon such trusts for the benefit, of the contributories or any of them, as the liquidators with the like sanction shall think fit. in case any shares to be divided as aforesaid involves a liability to calls or otherwise any persons entitled under such division to any of the said shares may within ten days after

the passing of the special resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable act accordingly.

### **INDEMNITY AND RESPONSIBILITY**

#### **Right of Directors and others to indemnity**

179. (a) Subject to the provisions of the Act, every Director of the Company, Officer (whether Managing Director, Manager, Secretary or other officer ) or employee or any person employed by the Company as Auditor shall be entitled to be protected or indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, officer, other employee or Auditor may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Officer, other employee or Auditor or in any way in the discharge of his duties.
- (b) Subject as aforesaid every Director, officer, other employee or Auditor of the Company shall be entitled to be protected or indemnified against any liability incurred by him in defending any proceedings whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or discharged in connection with any application under Section 463 of the Act in which relief is granted to him by the court or the Tribunal.

#### **Secrecy Clause**

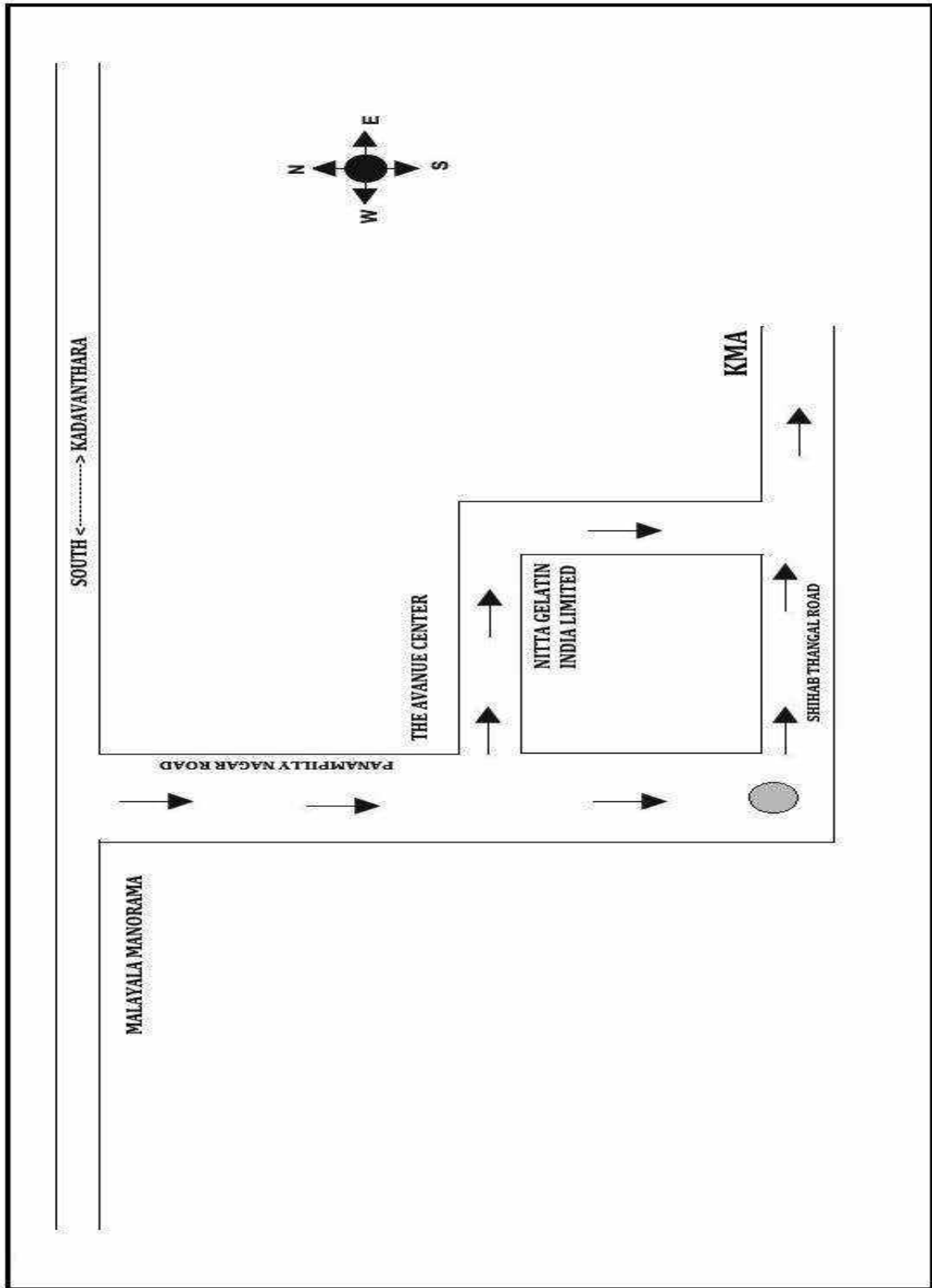
180. (1) No member shall be entitled to visit or inspect the Company's work without the permission of the Directors or Secretary, or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the Company, if any, which in the opinion of the Board or the Secretary it will be inexpedient in the interest of the Company to communicate to the Public.
- (2) Every Director, Manager, Secretary, Auditor, Trustee, Member of a committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall if so required by the Board, before entering upon his duties, or at any time during his time of Office, sign a declaration pledging himself to observe strict secrecy respecting all transaction of the Company and the state of accounts and in mailers relating thereto, and shall by such declaration pledge himself not to reveal any matters which may come to his knowledge in the discharge of duties except when required so to do by the Board of Directors or by any General Meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the Provisions contained in these Articles.

Names, addresses, descriptions, and occupations subscribers	Signature of subscriber	Signature, names, addresses, of descriptions and occupations of witnesses
1. P.J. Thomas Son of Sri. Panampunna John John. "Tejsa", Vikramapuram Hills, Trivandrum — 3, Managing Director, Kerala State Industrial Development Corpn. Ltd.Trivandrum - I	Sd/-	Sd/-G. Raman Pillay Son of Sri. S. Govinda Pillay, Han Sree, Neeramonkara, Trivandrum - 18 Asst. Manager Kerala State Industrial Development Corporation Ltd., Trivandrum - I.

Names, addresses, descriptions, and occupations subscribers	Signature of subscriber	Signature, names, addresses, of descriptions and occupations of witnesses
2. M.R.C. Warriar Son of Sri. M.R. Madhava Warriar, 120."Revathi" Jawahar Nagar, Trivandrum — 3 Development Commissioner, Kerala State Industrial Development Corpn. Ltd., Trivandrum - I	Sd/-	Sd/-G. Raman Pillay Son of Sri. S. Govinda Pillay, Han Sree, Neeramunkara, Trivandrum - 18 Asst. Manager Kerala State Industrial Development Corporation Ltd., Trivandrum - I.
3. Joseph Lopez Son of Sri. X.G. Lopez, "Thejos", Opp. Nirmala Bhavan Convent High School, Kawdiar, Trivandrum — 3 Development Commissioner, Kerala State Industrial Development Corporation Ltd, Trivandrum-I	Sd/-	
4. A.S. Unny Son of Sri. C.K. Madhavan Namboodiri, "Sujani", Vellayambalam, Trivandrum -10 Secretary, Kerala State Industrial Development Corpn. Ltd., Trivandrum - 1	Sd/-	
5. K.A.L. Narayanan Swamy Son of Sri. K.A. Doraiswamy Iyer, T.C. 10-241/I, Kananagar, Trivandrum -3 Manager. (Chemical Engineering), Kerala State Industrial Development Corp. Ltd., Trivandrum - I	Sd/-	
6. C. Krishnamoorthy Son of Sri. S.V. Venkateswara Iyer, "Gayathri" Udarasiromani Road Vellayambalam, Tnivandrum -10 Deputy Manager (Finance), Kerala State Industrial Development Corpn. Ltd., Trivandrum - I	Sd/-	
7. M.A. Azeem Son of Sri. M. Muhammad Ismail 14/265, "Usha Bhavan", Udarasiromani Road, Vellayambalam, Trivandrum — 10 Asst. Secretary, Kerala State Industrial Development Corpn. Ltd., Trivandrum - I	Sd/-	

Dated 22nd day of April 1975

(Map of the venue)





**NITTA GELATIN INDIA LIMITED**

**CIN No:** L24299KL1975PLC002691

**Regd. Office:** 54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036, India

**Tel:** +91 484 3099444, 2317805 **Fax:** +91 484 2310568,

**Email:** rajeshkurup@nittagelindia.com **Website:** http://www.gelatin.in

**ATTENDANCE SLIP**

MEETING OF THE PREFERENCE SHAREHOLDERS CONVENED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHENNAI BENCH, ON 27<sup>TH</sup> DECEMBER, 2018 AT 11:00 AM (IST) AT KERALA MANAGEMENT ASSOCIATION, SHIHAB THANGAL ROAD, PANAMPILLY NAGAR, ERNAKULAM - 682015

(To be presented at the entrance)

I/We..... hereby record my/our presence at the Meeting of the Preference Shareholders of the Company, convened pursuant to an Orders dated 12<sup>th</sup> November, 2018 of the Hon'ble National Company Law Tribunal, Chennai Bench to be held on 27<sup>th</sup> December, 2018 at 11:00 AM (IST) at Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam-682015

Folio No.....DPID No./Client ID No.:.....

No.of Shares held:.....

Name of the Member: .....

Signature:.....

Name of the Proxy holder/Authorised Representative:

.....

Signature: .....

**Notes:**

1. Only Member/Proxy holder/Authorised Representative can attend the Meeting.
2. Please complete Folio No./DP ID No., Client ID No., No. of shares held, the Name of the Member/Proxy holder/Authorised Representative and sign this Attendance Slip and hand it over at the entrance of the Meeting Hall.
3. Member/Proxy holder/Authorised Representative should bring his/her copy of the Notice for reference at the Meeting.





**NITTA GELATIN INDIA LIMITED**

**CIN No:** L24299KL1975PLC002691

**Regd. Office:** 54/1446, SBT Avenue, Panampilly Nagar, Cochin 682 036, India

**Tel:** +91 484 3099444, 2317805 **Fax:** +91 484 2310568,

**Email:** [rajeshkurup@nittagelindia.com](mailto:rajeshkurup@nittagelindia.com) **Website:** <http://www.gelatin.in>

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

**COMPANY SCHEME APPLICATION NO C.A./193/CAA/2018**

In the matter of the Companies Act, 2013;

And

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

And

In the matter of the Scheme of Merger and Amalgamation between Reva Proteins Limited ("RPL" / "Transferor Company / Amalgamated Company") and Nitta Gelatin India Limited ("NGIL" / "Transferee Company") and their respective shareholders and creditors.

Nitta Gelatin India Limited, a Company )  
incorporated under the Companies Act, 1956, )  
and having its registered office at 54/1446,  
SBT Avenue, Panampilly Nagar, Cochin 682 036 )..... Applicant Company

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company: Nitta Gelatin India Limited

CIN: L24299KL1975PLC002691

Regd. Office: 54/1446, SBT Avenue, Panampilly Nagar Cochin 682036

I/We, being the Member(s) of \_\_\_\_\_share(s) of Nitta Gelatin India Limited, hereby appoint:

1. Name: ..... E-mail ID:.....

Address:.....

Signature:..... or failing him

2. Name:..... E-mail ID: .....

Address: .....

Signature.....or failing him

3. Name:.....E-mail ID:.....

Address:.....

Signature.....or failing him

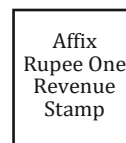
as my/our Proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the meeting of the Preference Shareholders, convened pursuant to the direction of the Hon'ble National Company Law Tribunal, Chennai Bench to be held on 27<sup>th</sup> December, 2018 at 11.00 AM at Kerala Management Association, Shihab Thangal Road, Panampilly Nagar, Ernakulam-682015 and at any adjournment thereof in respect of such resolution as is indicated below:

Resolution No.	Resolution	For	Against
1	Approval of (i) Scheme of Merger and Amalgamation of Reva Proteins Ltd with Nitta Gelatin India Ltd and their respective shareholders and creditors (ii) consequent alteration of authorised capital clause of the Memorandum of Association and Articles of Association of Nitta Gelatin India Ltd and (iii) issue of 44,44,444 Redeemable Preference Shares to the Equity Shareholders of Reva Proteins Ltd other than Nitta Gelatin India Ltd, being the Transferee Company.		

Signed this        day of        2018

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

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



**Notes:**

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 54/1446, Panampilly Nagar, Cochin 682 036, not later than 48 hours before the commencement of the Meeting
2. Those Members who have multiple folios with different joint holders may use copies of the Proxy Form.
3. A Proxy need not be a member of the Company
4. For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the Meeting of the Preference Shareholders of the Company.