

2<sup>nd</sup> May 2017

To,  
The Manager (CRD)  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai-400 001.

**Scrip Code: 530627**

Dear Sirs,

**Sub.: Outcome of the meeting of the Board of Directors - Scheme of Amalgamation**

With respect to captioned subject, we would like to inform you that the Board of Directors of the Company at its Meeting held today i.e. 2<sup>nd</sup> May, 2017, on recommendation of the Audit Committee, *inter alia*, considered and approved the Scheme of Amalgamation of M/s. Efferchem Private Limited ('Transferor Company') with the Company under Section 230 to 232 of the Companies Act, 2013, subject to the necessary approvals of the shareholders, creditors, Securities & Exchange Board of India, the stock exchanges where shares of the Company are listed, the National Company Law Tribunal and other competent statutory / regulatory authorities as may be required under any other applicable law for time being in force. The appointed date for the amalgamation under the Scheme is 1<sup>st</sup> April, 2017.

The details, as required under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 is given here-in-below:

- (i) **Name of the entities forming part of the amalgamation, details in brief such as size, turnover etc.:**

(Rs. in Lakhs)

Name of Entities	Efferchem Private Limited (Transferor Company) (for the period ended / as on 31 <sup>st</sup> March, 2017)	Vipul Organics Limited (Transferee Company) (for the year ended / as on 31 <sup>st</sup> March, 2016)
Revenue from operations	17.50	5237.51
Networth	4.46	1263.29
Paid up Share Capital	5.00	547.45

- (ii) **Whether the transaction would fall within the related party transactions, if yes, whether the same is done at arm's length:**

Yes. The transaction would fall within related party transaction. The transaction is based on the valuation report obtained from Independent Chartered Accountant and is subject to the approval of shareholders, Stock Exchanges, SEBI and the National Company Law Tribunal. However, the Ministry of Corporate Affairs, vide its Circular No. 30/2014 dated 17<sup>th</sup> July 2014, has clarified that the transactions arising out of compromises, arrangements and

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amalgamations dealt with under specific provisions of the Companies Act 1956 / 2013, would not attract the requirements of Section 188 of the Companies Act, 2013.

**(iii) Area of business of the entities:**

- a) Vipul Organics Limited (formerly known as Vipul Dyechem Limited) ('Transferee Company') is engaged in the business manufacturing and dealing in Pigment Powder, Pigment Dispersion, Leather Dyes, Naphthols, Fast color bases, Fast color salts & Dyes intermediates.
- b) Efferchem Private Limited ('Transferor Company') is engaged in the business to manufacture, process, purchase, resale, export, import and commission agency of all types of Laboratory fine and heavy chemicals whether organic or inorganic and including dyes acid and intermediates and minerals and to refine, purify derivate, crystallize, process, dry and to carry out such other process or processes, activity or activities to carry out this objects.

**(iv) Rationale for amalgamation / merger:**

- a. The consolidation of operations of both the companies by way of amalgamation would lead to a more efficient utilization of capital and will result in administrative and operational rationalization and promote organizational efficiencies.
- b. The amalgamation would result in greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholders value, and will improve the competitive position of the combined entity.
- c. The amalgamation would result in greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined business which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value.
- d. For the purpose of better, efficient and economical management, control and running of the business of the undertaking concerned and/or administrative convenience and to obtain advantages of economies of scale and to pool the resources for growth and development of the businesses of the companies.
- e. With the amalgamation of two Companies, the Transferee Company would have the complete access on the Industrial Land, as well as readily available utilities, liasoning, etc. and this will help the Transferee Company to initiate expansion promptly without any gestation period.







# VIPUL ORGANICS

Interconnected Chemistry

(v) **In case of cash consideration, amount – otherwise share exchange ratio:**

In consideration of the proposed amalgamation, the Vipul Organics Limited ('Transferee Company') shall issue and allot to 73 Equity shares of Rs.10/- each for every 2 Equity share of Rs. 10/- each held by shareholders of the Efferchem Private Limited on the Record date.

(vi) **Brief details of change in Shareholding Pattern (if any) of the listed entity:**

Category	Pre Shareholding		Post Shareholding*	
	No. of Shares	%	No. of Shares	%
Promoter	36,10,100	57.63	60,35,100	63.20
Public	26,54,400	42.37	35,14,400	36.80
<b>TOTAL</b>	<b>62,64,500</b>	<b>100.00</b>	<b>95,49,500</b>	<b>100.00</b>

\*Considering full allotment of equity shares to be allotted to the promoters and others upon conversion of balance 1460000 warrants outstanding for conversion into equal number of equity shares as on today.

The meeting of Board of Directors commenced at 6:00 P.M and concluded at 8:40 P.M.

You are requested to take the same on record.

Thanking you,

Yours faithfully,

For **Vipul Organics Limited**  
(Formerly known as Vipul Dyechem Limited)

**Mitali Shah**  
**Company Secretary & Compliance Officer**  
Encl.: As stated above

