



## APAR INDUSTRIES LIMITED

(CIN : L91110GJ1989PLC012802)

Regd. Office : 301, Panorama Complex, R. C. Dutt Road, Vadodara – 390 007 (Gujarat).

Phone : 0265-2339906, 2331935 Fax : 0265- 2330309

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### NOTICE FOR POSTAL BALLOT AND E-VOTING

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**"CERTIFIED TRUE COPY"**

For Apar Industries Limited

  
Company Secretary



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### NOTICE FOR POSTAL BALLOT AND E-VOTING

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 ("ACT") READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 ("THE RULES") AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE ACT (INCLUDING ANY STATUTORY MODIFICATION OR RE-ENACTMENT THEREOF FOR THE TIME BEING IN FORCE), CLAUSE 35B OF THE EQUITY LISTING AGREEMENT EXECUTED BY THE COMPANY WITH BSE LIMITED (BSE) AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSE) AND SEBI CIRCULARS BEARING NOS. CIR/CFD/DIL/5/2013 DATED 4TH FEBRUARY, 2013 AND CIR/CFD/DIL/8/2013 DATED 21ST MAY, 2013 (SEBI Circulars).

Dear Shareholders,

The Board of Directors of Apar Industries Limited (the "Transferee Company"), at a meeting held on 5th February, 2015, approved a draft Scheme of Arrangement under Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and any amendments thereto or replacements thereof (the "Scheme") in the nature of amalgamation of Apar Lubricants Limited (ALL) a wholly owned subsidiary company ("Transferor Company"), with Apar Industries Limited (AIL), ("Transferee Company").

The NSE and BSE while conveying "No-objection" to the "Scheme" have communicated vide their Observation Letters dated 19th May, 2015 and 20th May, 2015 (collectively referred to as "Observation Letters") to the Company to obtain the approval of its' Public Shareholders to the Scheme by way of Postal Ballot and E-voting. Hon'ble High Court vide its Oral Order dated 6th July, 2015 has dispensed with the meeting of equity shareholders and creditors of Transferee Company for seeking approvals for the same and directed to the Company to comply with conditions of Securities and Exchange Board of India (SEBI) provided in the SEBI Circulars with regard to obtaining the approval of Public Shareholders.

The Transferee Company is seeking the approval of its Public Shareholders to the Scheme by way of Postal Ballot and E-voting pursuant to the SEBI Circulars. For this purpose, the terms "Public" shall have the meaning assigned to it in Rule 2 of the Securities Contract (Regulation) Rules, 1957 and the terms "Public Shareholders" shall be construed accordingly. All required material facts are disclosed in the attached explanatory statement.

Accordingly, the proposed Resolution and the Explanatory Statement thereto are being sent to you along with a Postal Ballot Form for your consideration.

In terms of SEBI Circulars, the Scheme of Amalgamation shall be acted upon only if the votes cast by the Public Shareholders of Company in favour (Assent) of the proposal are more than the number of votes cast by the Public Shareholders against (Dissent) it. Any votes received from non-public shareholders will be considered invalid, so far as this resolution is concerned.

You are requested to peruse the proposed Resolution along with Explanatory Statement, read the instructions printed in the accompanying Postal Ballot Form and return the same along with your Assent (FOR) or Dissent (AGAINST), in the self-addressed postage pre-paid business reply envelope, enclosed with this Notice, so as to reach the Scrutinizer on or before 17.00 Hrs. on Wednesday, 30th September, 2015. Postal Ballot forms can also be downloaded from the website of the Company viz. [www.apar.com](http://www.apar.com). Please note that any Postal Ballot Form(s) received after the said date and time will be treated as not having been received.

In compliance with Clause 35B of the Equity Listing Agreement and Section 110 of the Act read with Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate, for its Public Shareholders which would enable them to cast their votes electronically, instead of physical postal ballot form.

The Company has appointed Mr. Hemang M. Mehta, Practicing Company Secretary as a Scrutinizer for conducting the Postal Ballot and e-voting in a fair and transparent manner. Further, the Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility. It is clarified that E-voting is optional. Please carefully read and follow the instructions on e-voting printed in the Postal Ballot Form. In respect of public shareholders opting for e-voting mode as above, they should cast their votes online from 10.00 Hrs on Tuesday, 1st September, 2015 till 17.00 Hrs. on Wednesday, 30th September, 2015 as per e-voting and other instructions provided with Postal Ballot Form. E-Voting shall not be allowed beyond 17.00 Hrs. on Wednesday, 30th September, 2015.

Only members entitled to vote are entitled to fill in the Postal Ballot Form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company, and any other recipient of the Notice who has no voting rights should treat the Notice as an intimation only.

The Scrutinizer will submit his report to the Chairman of the Company after completion of the scrutiny of the postal ballots including e-voting and the Results of the Postal Ballot and e-voting will be announced by the Chairman of the Company or person authorised by him in writing on Saturday, 3rd October, 2015 at 4.00 p.m. at the Corporate Office of the Company. The results together with the Scrutinizer's Report will be posted on the Company's website viz. [www.apar.com](http://www.apar.com) and also on the website of CDSL <https://www.cdslindia.com/evoting/EvotingInstanceAndResults.aspx> besides being communicated to the BSE and NSE where the Company's shares are listed.

Under the SEBI circulars, the following resolution is to be passed by the Public Shareholders of the Transferee Company through Postal Ballot and e-voting.

**PROPOSED RESOLUTION:**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution :

To approve the proposed Scheme of Amalgamation of Apar Lubricants Limited ("ALL" or "Transferor Company") with Apar Industries Limited ("AIL" or "Company" or "Transferee Company") ("Scheme of Amalgamation")

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and/or under the corresponding provisions of the Companies Act, 2013, the rules, circulars and notifications there under, (including any statutory modification or re-enactment thereof) as may be applicable, the Securities and Exchange Board of India Circulars bearing Nos. CIR/CFD/DIL/5/2013 dated 4th February, 2013 and CIR/CFD/DIL/8/2013 dated 21st May, 2013, the Observation Letters dated 19th May, 2015 issued by the National Stock Exchange of India Limited (NSE) and dated 20th May, 2015 issued by BSE Limited (BSE) and relevant applicable provisions of law and subject to the approval of the High Court of Judicature at Ahmedabad, the arrangement as embodied in the proposed Scheme of Arrangement in the nature of Amalgamation of Apar Lubricants Limited ("ALL" or "Wholly Owned Subsidiary" or "WOS" or "Transferor Company") which is a wholly owned subsidiary Company of Apar Industries Limited with Apar Industries Limited ("AIL" or "Company" or Holding Company or "Transferee Company") and their respective shareholders and creditors ("Scheme of Amalgamation") be and is hereby approved with / without modifications and / or conditions, if any, as may be carried out by the Hon'ble High Court of Judicature at Ahmedabad or by any other authorities under the applicable law.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and for removal of any difficulties or doubts, the Board of Directors of the Transferee Company (herein referred to as the "Board", which term shall be deemed to include any committee or any person(s) which the Board may constitute / constituted or nominate to exercise its powers, including the powers conferred under this resolution) 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 the above resolution, or to carry out such modifications / directions as may be required and / or imposed by the High Court of Judicature at Ahmedabad while sanctioning the Scheme, or by any other authorities under applicable law."

By Order of the Board  
For Apar Industries Limited

Sd/-  
Sanjaya Kunder  
Company Secretary

Date: 7th August, 2015.  
Place: Mumbai.

**Notes:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is appended hereto.
2. Consideration and approval of the Public Shareholders of the Transferee Company by postal ballot and e-voting is sought for the above resolution.
3. Resolution passed by the shareholders through Postal Ballot and e-voting is deemed to have been passed at a General Meeting of the shareholders.
4. The material documents referred to in the accompanying Explanatory Statement shall be open for inspection by the Equity Shareholders at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays (between 03.00 p.m. to 05.00 p.m.) up to the last date for receipt of the Postal Ballot Form i.e. Wednesday, 30th September, 2015.
5. The Notice, together with the documents, accompanying the same, is being sent to all the public shareholders by courier whose names appear in the Register of Members / list of Beneficial Owners as received from the National Securities Depository Services Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or Registrar and Share Transfer Agent as on 21st August, 2015. The Notice will be displayed on the website of the Transferee Company viz. [www.apar.com](http://www.apar.com) and of CDSL.
6. The Transferee Company has appointed Mr. Hemang M. Mehta, Practicing Company Secretary of M/s. H. M. Mehta & Associates, Vadodara, as the Scrutinizer to conduct the postal ballot and e-voting process in a fair and transparent manner.
7. Voting rights shall be reckoned on the paid up value of the shares registered in the names of the members as on 21st August, 2015. The resolution shall be considered approved by the Public Shareholders in case the votes in favour of the resolution are more than the votes cast against the resolution.
8. A postal ballot form along with self-addressed postage pre-paid envelope is enclosed. Public Shareholders voting in physical form are requested to carefully read the instructions printed in the attached postal ballot form. Public Shareholders 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 Transferee Company's website ([www.apar.com](http://www.apar.com)) or seek duplicate postal ballot form from the Transferee Company. Members shall fill in the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed postage pre-paid envelope to the Scrutinizer so as to reach the Scrutinizer on or before 17.00 Hrs. on Wednesday, 30th September, 2015. Any postal ballot form received after the said date and time period shall be treated as if the reply from the member has not been received.
9. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected. There will be only 1 (one) postal ballot form for every registered folio / client ID irrespective of the number of joint members.
10. The postal ballot form should be completed and signed by the Public Shareholder (as per specimen signature registered with the Transferee Company and / or furnished to National Securities Depository Limited / Central Depository Services (India) Limited). In case, shares are jointly held, this form should be completed and signed by the first named member and, in his / her absence, by the next named member. Holder(s) of Power of Attorney ("PoA") on behalf of a Public Shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Transferee Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution / authorisation giving the requisite authority to the person voting on the postal ballot form.
11. The instructions for the Public Shareholders for voting electronically are as under:-

## INSTRUCTIONS FOR E-VOTING

Members are requested to follow the below mentioned instructions to cast their vote through e-voting:

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Alpha-numeric DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for any company, then your existing password is to be used. If you are a first time user, follow the steps given in the table below.

For Members holding shares in Demat Form and Physical Form	
<b>PAN</b>	<ul style="list-style-type: none"> <li>* Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <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 as mentioned on the mailing address sticker.</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. e.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>Dividend Bank Details</b>	<ul style="list-style-type: none"> <li>* 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.</li> </ul>
<b>OR</b>	<ul style="list-style-type: none"> <li>* If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).</li> </ul>
<b>Date of Birth (DOB)</b>	

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolution contained in this Notice.
- (ix) Click on EVSN of APAR INDUSTRIES LTD.
- (x) 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.
- (xi) Click on the "Resolutions File Link" if you wish to view the Resolution.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If you are a Demat account holder and have forgotten your password then enter the User ID and then enter the Characters or enter the image verification code as displayed and click on Forgot Password & enter the relevant details as prompted by the system.
- (xvi) **Note for Corporate Shareholders :**  
**Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xvii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xviii) You can opt only one mode of voting i.e. either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
- (xix) Mr. Hemang M. Mehta, Practicing Company Secretary, Vadodara, Gujarat (Membership No. FCS - 4965 & Certificate of Practice No. 2554) has been appointed as the Scrutinizer to scrutinize the e-voting and Postal Ballot process in a fair and transparent manner.

- (xx) The Scrutinizer shall after the conclusion of voting will first count the votes cast and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in the employment of the Company and shall make, not later than three days of the conclusion of the voting, a consolidated scrutinizer's report of 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 and declare the result of the voting forthwith.
- (xxi) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.apar.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd. and NSE Limited.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 TO THE NOTICE OF POSTAL BALLOT AND E-VOTING FOR CONSIDERING AND APPROVING SCHEME OF AMALGAMATION OF APAR LUBRICANTS LIMITED (TRANSFEROR COMPANY / ALL) WITH APAR INDUSTRIES LIMITED (TRANSFeree COMPANY / AIL) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS :**

1. The Board of Directors of Transferor Company and Transferee Company at their respective Board Meetings held on 5th February, 2015, subject to various conditions, consents and approvals, approved the Scheme of Amalgamation pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956. A copy of the Scheme of Amalgamation, setting out in detail the terms and conditions on which the Scheme of Amalgamation is proposed as approved by the Board of Directors of Transferor Company and Transferee Company is forming part of the Annexure (Refer Sr. No. 1 of Annexure).
2. ALL was incorporated in the name of Apar Chematek Lubricants Ltd. vide Certificate of Incorporation issued by the Registrar of Companies, Maharashtra on 14th day of September, 2006. The said Company was incorporated pursuant to the Memorandum of Understanding entered on June 20, 2006 between Chematek SpA, Italy and Apar Industries Limited for the establishment 50:50 Joint Venture Company (JV) for marketing of automotive lubricants.
3. Dr. N. D. Desai, Mr. Kushal N. Desai and Mr. Chaitanya N. Desai (hereinafter referred to as NDD, KND and CND respectively) are the Promoters of ALL. At the time of incorporation of ALL they subscribed to the Memorandum of Association (MOM) of Transferor Company subscribing each of them 16,700 shares of the face value of Rs. 10/- each; totaling 50,100 shares at total consideration of Rs 5,01,000/-. They were also the promoters of ALL at the time of subscribing to MOM.
4. In November 2006, ALL bought all the shares held by NDD, KND and CND totaling 50,100 shares at par i.e. of Rs. 10/- each ONLY for the same total consideration of Rs 5,01,000/- to establish 50:50 JV. After further allotment of shares to both JV partners, i.e. ALL and Chematek SpA, each of them were holding 11,04,625 Equity shares in the total paid up capital of ALL comprising 22,09,250 Equity shares of Rs. 10/- each as on 31st March, 2007 as per the terms of the JV agreement. After the further allotment equally to JV Partners, paid up capital of the Transferor Company enhanced to 6,767,250 equity shares of Rs. 10/- each as on 31st March, 2012 and JV partners were holding 3,383,625 Equity shares of Rs. 10/- each equally.
5. In August, 2012, Chematek SpA sold 32,14,444 number of equity shares (47.5%) of their total holding in ALL to ALL and in May, 2014, balance 1,69,181 number of equity shares (2.5%) were sold. After the sale ALL ceased to be the JV Company and became wholly-owned subsidiary of ALL. Thereafter, name of the Transferor Company was changed to present name "Apar Lubricants Limited" (the word "Chematek" was deleted) vide fresh Certificate of Incorporation pursuant to change of name issued on September 5, 2014 by the Registrar of Companies.
6. At the time of acquisition /subscription of these 50,100 shares in November, 2006, the Amalgamation of the Transferor Company (ALL) with the Transferee Company (AIL) was not at all envisaged. The Amalgamation is proposed in the financial year 2014-15 after about 9 years from the date of acquisition/subscription of above 50,100 shares that too after exit of Chematek SpA from the JV Company. Thus, neither any share nor any other benefits are accruing to the promoters or their relatives consequent upon the proposed amalgamation of the Company.
7. As required by the SEBI Circulars, the Transferee Company has filed the complaints report with the relevant Stock Exchanges on 30th March, 2015. Copies of the same are forming part of the Annexures (Refer Sr. No. 4 of Annexures).
8. The Stock Exchanges vide their respective Observation Letters dated 19th May, 2015 and 20th May, 2015, conveyed their 'No-Objection' for filing the Scheme of Amalgamation with the Hon'ble High Court. Copies of the afore-mentioned observation letters are also forming part of the Annexures (Refer Sr. No. 2 and 3 of Annexures).
9. In the above Observation Letters BSE/NSE have communicated that in terms of Clause 5.16 of SEBI Circulars, Company has to obtain the approval of its' public shareholders to the Scheme by way of Postal Ballot and E-voting consequent upon the acquisition of above 50,100 shares of Transferor Company in the past by the Transferee Company from the shareholders of Transferor Company who are also the Promoters of Transferee Company.
10. Clause 5.16 of the SEBI Circulars require that the Scheme of Amalgamation shall be acted upon only if the votes cast by the Public Shareholders of Company in favour (Assent) of the proposal are more than the number of votes cast by the Public Shareholders against (Dissent) it. Any votes received from non-public shareholders will be considered invalid. This notice is given accordingly in terms of SEBI Circulars conditions laid down in the Observation Letters for consideration of the resolution containing in the Notice by postal ballot and e-voting pursuant to Section 110 of the Act, Clause 35B of the Equity Listing Agreement executed by the Company with Stock Exchanges and other applicable provisions of the Act.
11. Further, the Hon'ble Gujarat High Court also, in terms of Clause 5.16 of SEBI Circulars, vide its Order dated 6th July, 2015 has directed the Company to seek approval of the Public Shareholders of the Company by means of postal ballot and e-voting for the purpose of considering and, if thought fit, approving with or without modification(s), the amalgamation embodied in the Scheme of Amalgamation.
12. **Background of each company**  
**Particulars of the Transferee Company**
13. The Transferee Company, namely Apar Industries Limited, was incorporated under the Act on September 28, 1989, as "Gujarat Apar Polymers Limited". The name was changed to "Apar Industries Limited w.e.f. April 19, 1999. The equity shares of the Transferee Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).
14. The Registered Office of the Transferee Company is situated at 301, Panorama Complex, R. C. Dutt Road, Vadodara - 390 007, Gujarat, India.
15. The objects of the Transferee Company as set out in Clause A of its Memorandum of Association which are being pursued by the Transferee Company are *inter-alia* manufacture of Transformer Oils, Special Grade Pharmaceutical Oils, Automotive Lubricants/Oils, Other Speciality Oils, All Aluminium Conductors (AAC), All Aluminium Alloy Conductors (AAAC), Aluminium Conductor Steel Reinforced (ACSR) Conductors, Aluminium Rods (suitable for further manufacture of AAC, AAAC and ACSR), Electrical and Telecommunication Cables etc.

16. The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on June 30, 2015 is as under:

Authorised	Amount In Rs.
9,19,98,750 Equity shares of Rs. 10/- each	919,987,500
<b>Subscribed &amp; Paid Up</b>	
3,84,96,769 Equity shares of Rs. 10/- each fully paid up	384,967,690

**Particulars of the Transferor Company**

17. The Transferor Company, namely Apar Lubricants Limited, was incorporated under the provisions of the Act on September 14, 2006 as Apar ChemateK Lubricants Limited. The name of the Transferor Company was changed to Apar Lubricants Limited vide a certificate dated September 5, 2014. The equity shares of the Transferor Company are not listed on any stock exchange.
18. The Transferor Company has its Registered Office at 301, Panorama Complex, R. C. Dutt Road, Vadodara – 390 007, Gujarat, India.
19. The objects of the Transferor Company as set out in Clause III (A) of its Memorandum of Association which are being pursued by the Transferor Company are inter alia marketing and distribution of a full line of Automotive lubricants / oils and as selected specialized line of industrial lubricants / oils of petrochemical nature etc. manufactured by AIL.
20. The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 31st December, 2014 and as of date is as follows:

Authorised	Amount In Rs.
1,00,00,000 Equity shares of Rs. 10/- each	100,000,000
<b>Issued, Subscribed &amp; Paid Up</b>	
67,67,250 Equity shares of Rs. 10/- each fully paid up	67,672,500

**Description and Rationale for the Scheme**

21. The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 391 to 394 and other relevant provisions of the Act and any amendments thereto or replacements thereof, as applicable. The Scheme proposes the transfer and vesting of the whole of the undertaking and entire business of the Transferor Company with the Transferee Company and without any consequent issue of new equity shares by the Transferee Company to the equity shareholders of the Transferor Company, and matters incidental and consequential thereto. Upon the coming into effect of the Scheme, the Transferor Company shall stand dissolved without winding up, and the board of directors of the Transferor Company and any committees thereof, shall, without any further act, instrument or deed, stand dissolved.
22. It has been realised by the Board of Directors of both the companies that the amalgamation of both these companies shall be helpful to achieve the following objectives:-
- simplify management structure, leading to better administration and a reduction in costs from more focused operational efforts, rationalization, standardization and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses;
  - simplify shareholding structure and reduce shareholding tiers; and
  - direct and indirect tax efficiencies.

**Salient Features of the Scheme**

23. The salient features of the Scheme are as follows:
- The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Sections 391 to 394 and other relevant provisions of the Act and any amendments thereto or replacements thereof, as applicable.
  - "Appointed Date" means opening of business on January 1, 2015 or such other date as may be agreed between the Transferor Company and the Transferee Company and approved by the High Court.
  - "Effective Date" means the last of the dates on which the sanctions / approvals or orders as specified in Clause No. 17 & 18 of the Scheme has been obtained and / or filed by the Transferor Company and the Transferee Company with the Registrar of Companies, Gujarat and other Governmental Authorities.
  - CONSIDERATION BY THE TRANSFEE COMPANY:**  
The Transferor Company is the wholly owned subsidiary of the Transferee Company and hence the entire share capital of the company is held by the said Transferee company. Upon the Scheme becoming finally effective, the entire share capital of the Transferor company shall get automatically cancelled/ extinguished. The Transferee Company shall not be required to issue and allot any shares as the Transferee Company and its nominee are themselves the only shareholders of the Transferor Company.
  - ACCOUNTING TREATMENT OF ASSETS, LIABILITIES AND RESERVES OF THE TRANSFEROR COMPANY**
    - Upon this Scheme becoming effective, the Transferee Company shall account for the amalgamation / merger in its books, as per the "Purchase Method" under the Accounting Standard 14 "Accounting for Amalgamation" issued by the Institute of Chartered Accountants of India, as specified hereunder:
    - All the assets and liabilities recorded in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at its carrying amount as appearing in the books of Transferor Company except that:
      - fixed assets will be recorded at its estimated market value based on valuation report obtained from Registered Valuers as on the Appointed Date; and
      - adjustments shall be made wherever necessary to conform to the accounting policies and methods adopted by the Transferee Company.
    - The excess, if any, of the amount of the investment in the Transferor Company held by the Transferee Company as appearing in the books of the Transferee Company, as on the Appointed Date over the value of the net assets (after considering the values of the assets and liabilities as arrived at under para (i) & (ii) above) of the Transferor Company acquired by the Transferee Company upon its transfer to and vesting in the Transferee Company under the Scheme shall be debited to "Goodwill Account".

- (iv) The excess, if any, of the aggregate value of the net assets (after considering the values of the assets and liabilities as arrived at under para (i) & (ii) above) of the Transferor Company acquired by the Transferee Company upon their transfer to and vesting in the Transferee Company under the Scheme over the amount of investment in the Transferor Company held by the Transferee Company as appearing in the books of the Transferee Company, as on the Effective Date shall be credited to "Capital Reserve Account".
- (v) Goodwill Account, if any, (net of Capital Reserve Account, if any), as per Para (ii) and (iii) above, shall be written off in accordance with the Accounting Standard – 14 issued by the Institute of Chartered Accountants of India.

(vi) **DISSOLUTION OF THE TRANSFEROR COMPANY:**

Upon the Scheme being effective, the Transferor Company shall be dissolved without winding up upon an order made by the High Court of Gujarat in accordance with the provisions of the Companies Act.

(vii) **SCHEME CONDITIONAL UPON APPROVALS/SANCTIONS:**

This Scheme is specifically conditional upon and subject to:

- (i) The Scheme being approved by the requisite majority of the respective members and such class of persons of the Transferor Company as may be directed by the High Court;
- (ii) The Scheme being approved by the concerned Stock Exchanges in compliance with the terms of the listing agreement and guidelines issued by Securities and Exchange Board of India and in particular vide Circular CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular CIR/CFD/DIL/8/2013 dated May 21, 2013;

Compliance of the direction issued by SEBI in terms of its above Circulars through the observation letters issued by NSE and BSE dated 19th May 2015 and 20th May, 2015 respectively as reproduced herein below:

\*a. The scheme shall provide for voting by public shareholders through postal ballot and e-voting w.r.t. the acquisition of shares in the past by AIL from the shareholders of ALL which are also the promoters of AIL, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution and that the scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it, in compliance with para 5.16(a) of aforesaid SEBI Circular.

b. The company shall duly comply with various provisions of the Circulars".

- (iii) The sanction of the Hon'ble High Court of Gujarat at Ahmedabad being obtained under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 or any other Governmental Authorities if so required on behalf of the Transferor Company.
- (iv) The certified copies of the High Court orders referred to in this Scheme being filed with the Registrar of Companies, Ahmedabad, Gujarat, as applicable.
- (v) The requisite consent, approval or permission of the Government Authority or any other statutory authority, which by law may be necessary for the implementation of this scheme.

(viii) **EXPENSES CONNECTED WITH THE SCHEME:**

All costs, charges and expenses, including any taxes and duties of the Transferor Company and the Transferee Company respectively in relation to or in connection with or incidental to this Scheme and of carrying out and completing the terms of this Scheme shall be borne and paid by the Transferee Company.

The aforesaid are only the salient features of the Scheme. The members are requested to read the entire text of the Scheme annexed hereto and get fully acquainted with the provisions thereof.

**Approvals and Actions Taken in relation to the Scheme**

24. The proposal for the amalgamation of the Transferor Company into the Transferee Company in accordance with the Scheme was placed before the Audit Committee of the Board of Directors of the Transferee Company at its meeting held on 5th February, 2015. The Audit Committee of the Board of Directors of the Transferee Company took into account the certificate, dated 5th February, 2015, issued by Sharp & Tannan, the Statutory Auditors of the Transferee Company to the effect that no valuation process is applicable to the transactions contemplated by the Scheme. The Audit Committee of the Board of Directors of the Transferee Company also took into account the fairness opinion, dated 5th February, 2015, issued by Inga Capital Private Limited (the "Inga Fairness Opinion").

Extract of the Fairness Opinion is reproduced below :

*"On the basis of our Scope and Limitations as mentioned in this report and considering the Rationale of the Scheme of Amalgamation, the Scheme of Amalgamation of ALL with AIL, in our opinion is fair."*

A copy of the Inga Fairness Opinion is enclosed as Annexure 5. On the basis of its evaluation and independent judgment, the Audit Committee has recommended the Scheme to the Board of Directors of the Transferee Company.

25. The Board of Directors of the Transferee Company, at their meeting dated 5th February, 2015, took into account the recommendation of the Inga Fairness Opinion and the independent recommendations of its Audit Committee.
26. On the basis of their own independent judgment, and having considered the aforementioned reports and opinions together with the benefits of the Scheme, the Board of Directors of the Transferee Company has, at its meeting held on 5th February, 2015, approved the Scheme. Separately, the Board of Directors of the Transferor Company, at its meeting held on 5th February, 2015, approved the Scheme.
27. The National Stock Exchange of India Limited (NSE) was appointed as the designated stock exchange by the Transferor Company and the Transferee Company for the purpose of coordinating with the SEBI, pursuant to the SEBI Circulars. The Transferee Company has received observation letters regarding the Scheme from the National Stock Exchange of India Limited on 19th May, 2015 and from BSE Limited on 20th May, 2015, pursuant to which each of the stock exchanges have respectively conveyed their no objection for filing the Scheme with the High Courts. Copies of the observation letters dated 19th May, 2015 and 20th May, 2015 are enclosed as Annexures 2 and 3 respectively.
28. The Scheme were filed by both the Transferee Company and Transferor Company with the High Court of Judicature at Ahmedabad on 23rd June, 2015. The Hon'ble High Court vide its Oral Order dated 6th July, 2015 has dispensed with the meeting of equity shareholders and creditors of Transferee Company for seeking approvals for the same and directed to the Company to comply with conditions of Securities and Exchange Board of India (SEBI) with regard to obtaining the approval of Public Shareholders.
29. As required by the SEBI Circulars, the Transferee Company has filed the Complaints Report with BSE Limited and National Stock Exchange of India Limited on 30th March, 2015. This report indicates that the Transferee Company has no complaints received and pending to be resolved. A copy of the complaints report dated 30th March, 2015 is enclosed as Annexure 4.



**Other Matters**

30. The financial position of the Transferee Company will not be adversely affected by the Scheme. The Transferee Company will be able to meet and pay its debts as and when they arise and become due. The rights and interests of the members and the creditors of the Transferor Company or the Transferee Company will not be prejudiced by the Scheme.
31. No investigation proceedings have been instituted or are pending in relation to the Transferee Company under Sections 210 to 229 of the Companies Act, 2013 or under the corresponding provisions of the Act. No winding up petitions have been admitted or filed against the Transferee Company. No proceedings are pending in relation to the Transferee Company under provisions of the (hitherto) Monopolies and Restrictive Trade Practices Act, 1969 and the Competition Act, 2002.
32. The details of the present directors of the Transferor Company are as follows:

Sl. No.	Name of Director	Designation	Date of Appointment	No. of Shares held as on 31st December, 2014 *
1.	Mr. Kushal N. Desai	Chairman	24.09.2006	10
2.	Mr. Chaitanya N. Desai	Director	14.09.2006	10
3.	Dr. Narendra D. Desai	Director	26.09.2012	10
4.	Mr. Himatlal N. Shah	Director	26.09.2012	10

33. The details of the present directors of the Transferee Company are as follows:

Sl. No.	Name of Director	Designation	Date of Appointment	No. of Shares held as on 31st December, 2014 *
1.	Dr. N. D. Desai	Chairman	28.09.1989	72,71,761
2.	Dr. N. K. Thingalaya	Independent Director	27.07.2001	-
3.	Shri F. B. Virani	Independent Director	27.07.2001	7,833
4.	Shri Kushal N. Desai	Managing Director	24.03.1999	73,78,428
5.	Shri Chaitanya N. Desai	Managing Director	29.05.1993	73,67,260
6.	Shri Rajesh Sehgal	Investor Director	27.06.2011	-
7.	Shri Suyash Saraogi	Independent Director	30.05.2014	-
8.	Smt. Nina Kapasi	Independent Director	30.05.2014	-

\* as 1st January, 2015 being the Appointed Date.

34. None of the Promoters, Directors the Key Managerial Personnel (as defined under the Companies Act, 2013 and rules framed thereunder) of the Transferee Company and their respective Relatives (as defined under the Companies Act, 2013 and rules framed thereunder) have any interest in the Scheme, except as shareholders in general of the respective companies, the extent of which is as stated below.

Sl. No.	Names	Shareholding in Transferor Company as on 31st December 2014 * and as of date	Shareholding in Transferee Company as on 31st December 2014 * and as of date
<b>Promoters of the Company</b>			
1.	Dr. N. D. Desai	10	72,71,761
2.	Kushal N. Desai	10	73,78,428
3.	Chaitanya N. Desai	10	73,67,260
4.	Chaitanya N. Desai Family Trust - Trustee Dr. N. D. Desai	-	95,238
5.	Kushal Chaitanya N. Desai Family Trust - Trustee Dr. N. D. Desai	-	72,634
6.	Rishabh K. Desai	-	6,081
7.	Gaurangi K. Desai	-	3,200
8.	Noopur K. Desai	-	2,160
9.	Scope Private Limited	-	324
10.	Apar Corporation Private Limited	-	1,10,654
11.	AIL Benefit Trust	-	16,35,387
12.	Maithili Trusteeship Services Pvt. Ltd.	-	300
13.	Maithili N. Desai Family Pvt. Trust - Trustee Shri K. N. Desai and Shri C. N. Desai	-	1,00,000
<b>Directors of the Company</b>			
1.	Dr. N. K. Thingalaya	-	Nil
2.	Shri F. B. Virani	-	7,833
3.	Shri Rajesh Sehgal	-	Nil
4.	Shri Suyash Saraogi	-	Nil
5.	Smt. Nina Kapasi	-	Nil
<b>Key Managerial Personnel (KMP) of the Company</b>			
1.	V. C. Diwadkar	-	1,952
2.	Sanjaya Kunder	-	133

\* as 1st January, 2015 being the Appointed Date.

35. None of the directors of the Transferor Company or the Transferee Company have given any loans to either company.
36. The pre-amalgamation shareholding pattern of the Transferor Company and the Transferee Company and the post amalgamation shareholding pattern of the Transferee Company are as under:

Pre-amalgamation shareholding pattern of Transferor Company as on December 31, 2014 (as 1st January, 2015 being the Date of Appointment):

Sl. No. (i)	Category of Shareholder (ii)	Total number of Shares (iii)	Percentage of total number of Shares (iv)
<b>(A)</b>	<b>Promoter and Promoter Group</b>		
1.	<b>Indian</b>		
	Individual / Hindu Undivided Family	-	-
	Central Government / State Government	-	-
	Bodies Corporate - Apar Industries Ltd. (AIL)	67,67,180	99.999
	Financial Institutions / Banks	-	-
	Any Other (Specify)	-	-
	Nominee of AIL	70	0.001
	<b>Sub-Total (A)(1)</b>	<b>67,67,250</b>	<b>100.00</b>
2.	<b>Foreign</b>		
	Individuals (Non-Resident Individuals / Foreign Nationals)	-	-
	Bodies Corporate	-	-
	Institutions	-	-
	Qualified Foreign Investor	-	-
	Any Other (Specify)	-	-
	<b>Sub-Total (A)(2)</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)</b>	<b>67,67,250</b>	<b>100.00</b>
<b>(B)</b>	<b>Public</b>		
1.	<b>Institutions</b>		
(a)	Mutual Funds / UTI	-	-
(b)	Financial Institutions / Banks	-	-
(c)	Central Government / State Government	-	-
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	-	-
(f)	Foreign Institutions Investors	-	-
(g)	Foreign Venture Capital Investors	-	-
(h)	Qualified Foreign Investor	-	-
	<b>Sub-Total (B)(1)</b>	<b>-</b>	<b>-</b>
2.	<b>Non-institutions</b>		
(a)	Bodies Corporate	-	-
(b)	Individuals -		
	i. Individual Shareholders holding nominal share Capital up to Rs.1 Lakh	-	-
	ii. Individual Shareholders holding nominal share capital in excess of Rs.1 Lakh.	-	-
(c)	Qualified Foreign Investor	-	-
(d)	Any Other	-	-
(d-i)	Foreign Individuals (NRI)	-	-
(d-ii)	Hindu Undivided Families (HUF)	-	-
(d-iii)	Trust & Foundations	-	-
	<b>Sub-Total (B)(2)</b>	<b>0</b>	<b>0</b>
	<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>0</b>	<b>0</b>
	<b>Total (A)+(B)</b>	<b>67,67,250</b>	<b>100.00</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>		
1	Promoter and Promoter Group	0	0
2	Public	0	0
	<b>Sub-Total (C)</b>	<b>0</b>	<b>0</b>
	<b>Grand Total (A)+(B)+(C)</b>	<b>67,67,250</b>	<b>100.00</b>

Post the Amalgamation, entire share capital of the Transferor Company shall get cancelled/extinguished in terms of the Scheme.

Pre-amalgamation shareholding pattern of Transferee Company as on December 31, 2014 (as submitted to BSE Limited and the National Stock Exchange of India Limited on 19.01.2015):

Sl. No. (i)	Category of Shareholder (ii)	Total number of Shares (iii)	Percentage of total number of Shares (iv)
<b>(A)</b>	<b>Promoter and Promoter Group</b>		
1.	<b>Indian</b>		
	Individual / Hindu Undivided Family	2,21,96,762	57.659
	Central Government / State Government	-	-
	Bodies Corporate	1,11,278	0.289
	Financial Institutions / Banks	-	-
	Any Other (Specify)	-	-
	AIL Benefit Trust	16,35,387	4.248
	Maithili N. Desai Family Private Trust	1,00,000	0.260
	<b>Sub-Total (A)(1)</b>	<b>2,40,43,427</b>	<b>62.458</b>
2.	<b>Foreign</b>		
	Individuals (Non-Resident Individuals / Foreign Nationals)	-	-
	Bodies Corporate	-	-
	Institutions	-	-
	Qualified Foreign Investor	-	-
	Any Other (Specify)	-	-

	Sub-Total (A)(2)		
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)		
(B)	Public	2,40,43,427	62.458
1.	Institutions		
(a)	Mutual Funds / UTI		
(b)	Financial Institutions / Banks	35,94,623	9.338
(c)	Central Government / State Government	2,489	0.006
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	-	-
(f)	Foreign Institutions Investors	-	-
(g)	Foreign Venture Capital Investors	18,61,307	4.835
(h)	Qualified Foreign Investor	-	-
	Sub-Total (B)(1)	54,58,419	14.179
2.	Non-institutions		
(a)	Bodies Corporate	57,89,844	15.040
(b)	Individuals -		
	i. Individual Shareholders holding nominal share Capital up to Rs. 1 Lakh	22,53,522	5.854
	ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh.	7,06,080	1.834
(c)	Qualified Foreign Investor	-	-
(d)	Any Other	-	-
(d-i)	Foreign Individuals (NRI)	1,09,235	0.284
(d-ii)	Hindu Undivided Families (HUF)	1,34,781	0.350
(d-iii)	Trust & Foundations	48	0.000
	Sub-Total (B)(2)	89,93,510	23.363
	Total Public Shareholding (B)=(B)(1) + (B)(2)	1,44,51,929	37.542
	Total (A)+(B)	3,84,95,356	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0.000
1	Promoter and Promoter Group	0	0.000
2	Public	0	0.000
	Sub-Total (C)	0	0.000
	Grand Total (A)+(B)+(C)	3,84,95,356	100.00

Post - amalgamation shareholding pattern of Transferee Company as on January 01, 2015 (Appointed Date):

Sl. No. (i)	Category of Shareholder (ii)	Total number of Shares (iii)	Percentage of total number of Shares (iv)
(A)	Promoter and Promoter Group		
1.	Indian		
	Individual / Hindu Undivided Family	2,21,96,762	57.659
	Central Government / State Government	-	-
	Bodies Corporate	1,11,278	0.289
	Financial Institutions / Banks	-	-
	Any Other (Specify)	-	-
	All Benefit Trust	16,35,387	4.248
	Maithili N. Desai Family Private Trust	1,00,000	0.260
	Sub-Total (A)(1)	2,40,43,427	62.458
2	Foreign		
	Individuals (Non-Resident Individuals / Foreign Nationals)	-	-
	Bodies Corporate	-	-
	Institutions	-	-
	Qualified Foreign Investor	-	-
	Any Other (Specify)	-	-
	Sub-Total (A)(2)	-	-
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	2,40,43,427	62.458
(B)	Public		
1.	Institutions		
(a)	Mutual Funds / UTI		
(b)	Financial Institutions / Banks	35,94,623	9.338
(c)	Central Government / State Government	2,489	0.006
(d)	Venture Capital Funds	-	-
(e)	Insurance Companies	-	-
(f)	Foreign Institutions Investors	-	-
(g)	Foreign Venture Capital Investors	18,61,307	4.835
(h)	Qualified Foreign Investor	-	-
	Sub-Total (B)(1)	54,58,419	14.179
2.	Non-institutions		
(a)	Bodies Corporate	57,89,844	15.040
(b)	Individuals -		
	i. Individual Shareholders holding nominal share Capital up to Rs. 1 Lakh	22,53,522	5.854
	ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh.	7,06,080	1.834
(c)	Qualified Foreign Investor	-	-
(d)	Any Other	-	-

(d-i)	Foreign Individuals (NRI)	1,09,235	0.284
(d-ii)	Hindu Undivided Families (HUF)	1,34,781	0.350
(d-iii)	Trust & Foundations	48	0.000
	Sub-Total (B)(2)	89,93,510	23.363
	Total Public Shareholding (B)=(B)(1) + (B)(2)	1,44,51,929	37.542
	Total (A)+(B)	3,84,95,356	100.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0.000
1	Promoter and Promoter Group	0	0.000
2	Public	0	0.000
	Sub-Total (C)	0	0.000
	Grand Total (A)+(B)+(C)	3,84,95,356	100.00

It may be observed that there is no change in the shareholding pattern of the Transferee Company post the Amalgamation, as entire share capital of the Transferor Company gets cancelled / extinguished and Transferee Company not required to issue any shares in terms of the Scheme.

#### Inspection of Documents

37. The following documents will be open for inspection by the equity shareholders and the Public Shareholders of the Transferee Company at the Registered Office of the Transferee Company at 301, Panorama Complex, R. C. Dutt Road, Vadodara – 390 007, Gujarat between 3.00 p.m. and 5.00 p.m. on any working day, except Saturdays and Sundays and Public Holidays, up to last date of the receipt of the Postal Ballot Form.
- (i) Certified True Copies of the Orders passed by the Hon'ble High Court of Judicature at Gujarat on July 6th 2015 directing / dispensing with meetings.
  - (ii) Copies of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company;
  - (iii) Copies of the annual accounts of the Transferor Company for the period ended 31st December, 2014 and for the financial year ended 31st March, 2015 and the Transferee Company for the financial year ended March 31, 2015;
  - (iv) Copy of the Certificate dated 5th February, 2015, prepared by Sharp & Tannan, Statutory Auditors of the Transferee Company and issued to the respective Boards of Directors of the Transferor Company and the Transferee Company;
  - (v) Copy of the fairness opinion, dated 5th February, 2015, issued by Inga Capital to the Board of Directors of the Transferee Company;
  - (vi) Copy of the complaints report, dated 30th March, 2015 submitted by the Transferee Company to BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE);
  - (vii) Copy of the no-objection certificates issued by National Stock Exchange of India Limited dated 19th May, 2015 and by BSE Limited dated 20th May, 2015 to the Transferee Company;
  - (viii) Copy of the Scheme.

A copy of the Scheme, the Explanatory Statement and the Proxy Form may be obtained from the Registered Office of the Transferee Company during ordinary business hours on any working day (except Saturdays and Sundays) up to last date of the receipt of the Postal Ballot Form.

Dated this 7th Day of August, 2015.

#### Registered Office

Apar Industries Limited  
301, Panorama Complex,  
R. C. Dutt Road, Vadodara – 390007  
CIN: L91110GJ1989PLC012802

Encl: As indicated hereinabove

By Order of the Board of Directors  
For Apar Industries Limited

Sd/  
Sanjaya Kunder  
Company Secretary

**SCHEME OF ARRANGEMENT**

ANNEXURE - 1

**IN THE NATURE OF AMALGAMATION OF  
APAR LUBRICANTS LIMITED  
(Corporate Identification Number : U23209GJ2006PLC082221)  
(formerly Apar ChemateK Lubricants Limited)  
WITH  
APAR INDUSTRIES LIMITED  
(Corporate Identification Number : L91110GJ1989PLC012802)**

**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**

This Scheme of Arrangement provides for amalgamation of Apar Lubricants Limited, (formerly Apar ChemateK Lubricants Limited), with Apar Industries Limited pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

**PREAMBLE**

**A. Description of Companies:**

**1. Apar Lubricants Limited, The Transferor Company:-**

Apar Lubricants Limited (ALL) (formerly Apar ChemateK Lubricants Limited) is a company incorporated on September 14th, 2006 in the State of Maharashtra under the provisions of the Companies Act, 1956. Currently, its Registered Office is situated at 301, Panorama Complex, R. C. Dutt Road, Vadodara - 390 007 in the State of Gujarat. It was originally promoted as Joint Venture Company between Apar Industries Limited (AIL) and ChemateK SpA, Italy, being equal partners. After the exit of the ChemateK SpA from the said arrangement, by selling its holding to AIL, the company has become Wholly Owned Subsidiary (WOS) of the AIL. The name of the company was changed to Apar Lubricants Limited (ALL) with effect from September 5, 2014 and its registered office has been shifted to the State of Gujarat. ALL has been engaged in marketing and distribution of a full line of Automotive lubricants/oils and as selected specialized line of industrial lubricants/oils of petrochemical nature etc. manufactured by AIL.

**2. Apar Industries Limited, The Transferee Company :-**

Apar Industries Limited (AIL) is a company registered under the provisions of the Companies Act, 1956 with its Registered Office at 301, Panorama Complex, R.C. Dutt Road, Vadodara 390 007 Gujarat. It was incorporated on September 28, 1989 as "Gujarat Apar Polymers Limited". The name of the Company was changed to "Apar Industries Limited" w.e.f. April 19, 1999. AIL is presently engaged in the manufacture of Transformer Oils, Special Grade Pharmaceutical Oils, Automotive Lubricants/Oils, Other Speciality Oils, All Aluminium Conductors (AAC), All Aluminium Alloy Conductors (AAAC), Aluminium Conductor Steel Reinforced (ACSR) Conductors, Aluminium Rods (suitable for further manufacture of AAC, AAAC and ACSR), Electrical and Telecommunication Cables etc. The equity shares of AIL are listed on the BSE Limited (the "BSE") and on the National Stock Exchange of India Limited (the "NSE").

**B. Rationale for the Scheme of Arrangement:**

It has been realised by the Board of Directors of both the companies that the amalgamation of both these companies shall be helpful to achieve the following objectives:-

- (a) simplify management structure, leading to better administration and a reduction in costs from more focused operational efforts, rationalization, standardization and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses;
- (b) simplify shareholding structure and reduce shareholding tiers; and
- (c) direct and indirect tax efficiencies.

**C. Operation of the Scheme:**

- (a) The amalgamation of the Transferor Company with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date (as hereinafter defined).
- (b) The amalgamation 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:
  - (i) all the properties of the Transferor Company, immediately before the amalgamation, shall become the property of the Transferee Company, by virtue of the amalgamation; and
  - (ii) all the liabilities of the Transferor Company, immediately before the amalgamation, shall become the liabilities of the Transferee Company, by virtue of the amalgamation.
- (c) Since the Transferee Company is the sole shareholder of the Transferor Company, the shares of the Transferee Company in the Transferor Company will stand cancelled as a result of the amalgamation. No new shares shall be issued by the Transferee Company towards consideration. There shall not be any change in the Post Shareholding Pattern of the Transferee Company consequent to Amalgamation.
- (d) The amalgamation shall imply the transfer and vesting of the entire undertaking of the Transferor Company in the Transferee Company as a going concern.
- (e) Various other matters consequential or otherwise integrally connected herewith, including the reorganization of the capital in the form of the consolidation of the Authorised Capital of the Transferor Company and cancellation of the existing share capital of the Transferor Company shall form integral part of the scheme.
- (f) The scheme shall be in compliance with the applicable SEBI guidelines including particularly the recent circulars being CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular CIR/CFD/DIL/8/2013 dated May 21, 2013; and other applicable provisions of RBI guidelines as well as FEMA regulations, if applicable.

**1. DEFINITIONS:**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the meaning given hereunder: -

- (a) "Act" means the Companies Act, 1956 as may be applicable, including any statutory modifications, re-enactments or amendments thereof and shall include the relevant and corresponding sections under Companies Act, 2013, as and when the same are made applicable before the effective date of the Scheme.
- (b) "Appointed Date" means 1st January, 2015 or such other date as may be approved by the High Court of Gujarat at Ahmedabad.
- (c) "Applicable Laws" means any statute, notification, bye-laws, rules, regulations, guidelines, Common law, policy code, directives, ordinance, schemes, notices, orders or instructions, laws enacted or issued or sanctioned by any appropriate authority in India including any modifications or re-enactment thereof for the time being in force.
- (d) "Court" or "High Court", means Hon'ble High Court of Gujarat at Ahmedabad, as applicable, and shall include the National Company Law Tribunal, as and when made applicable.
- (e) "Effective Date" means the last of the dates on which the sanctions / approvals or orders as specified in Clause No. 17 & 18 of this Scheme has been obtained and / or filed by the Transferor Company and the Transferee Company with the Registrar of Companies, Gujarat and other Governmental Authorities.
- (f) "Governmental Authority" means any applicable Central, State or local Government, statutory, regulatory, departmental or public body or authority of relevant jurisdiction, legislative body or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Regional Directors, Foreign Investment Promotion Board, Reserve Bank of India, or arbitration or arbitral body having jurisdiction, Courts and other government and India in each case.
- (g) "Scheme" or "the Scheme" or "this Scheme" means this scheme of amalgamation in its present form as submitted to the High Court at Gujarat and this scheme with such modification(s), as may be made.
- (h) "The Transferor Company" means Apar Lubricants Limited (ALL), (Formerly Apar ChemateK Lubricants Limited), a Company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at 301, Panorama Complex, R. C. Dutt Road, Vadodara - 390 007 in the state of Gujarat.
- (i) "The Transferee Company" means Apar Industries Limited (AIL), a Company incorporated under the provisions of Companies Act, 1956 having its Registered Office at 301, Panorama Complex, R. C. Dutt Road, Vadodara - 390 007 Gujarat.
- (j) "Undertaking" means and includes 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, outstandings, liabilities, duties, obligations and employees as on the Appointed Date including, but not limited to, the following:
- (i) All the assets and properties (whether moveable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent) of the Transferor Company, whether situated in India or abroad, including, but not limited to manufacturing facilities, laboratories, land (whether leasehold or freehold), processing plants, plant and machinery, computers, equipment, buildings and structures, offices, residential and other premises, diesel generator sets, stock-in-trade, packing material, raw materials, formulations, active pharmaceutical ingredients and drugs intermediaries, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scripts, subsidiaries, stocks, bonds, debenture stocks, units or pass through certificates) including shares or other securities held by the Transferor Company, cash balances or deposits with banks, cheques on hand, 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 but not limited to lease rights of the Transferor Company), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, tenancies or license in relation to the office and /or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets (including but not limited to software), trade and service names and marks, patents, copyrights, designs 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, title, interests, other benefits (including tax benefits), export incentives accrued, derivative instruments, forward contracts, insurance claims receivable, tax holiday benefit, incentives, credits (including tax credits), minimum alternative tax credit entitlement tax losses, rights, easements, privileges, liberties and advantages of whatsoever nature and whosoever 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, in each case, whether in India or abroad.
  - (ii) 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, quotas, 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 business activities and operations.
  - (iii) All intellectual property rights, engineering and process information, software licenses (whether proprietary or otherwise), drawings, records, files, books, papers, computer programmes, manuals, data, catalogues, sales and advertising material, lists of present and former customers and suppliers, customer credit information, customer pricing information, other customer information and all other records and documents, whether in physical or electronic form, relating to the business activities and operations of the Transferor Company.
  - (iv) 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, scheme or rule, as refund of any tax, duty, cess or of any excess payment.
  - (v) Rights to any claim not preferred or made by the Transferor Company 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, under any law, act, rule or scheme, and in respect of set-off, carry forward of un-absorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. whether under the Income-tax Act, 1961, the rules and regulations thereunder, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India.
  - (vi) 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 utilized. Provided that if there exists any reference in the security documents or arrangements entered into by the Transferor Company under which the assets of the Transferor Company stand offered as a security for any financial assistance or obligation, the said reference shall be construed as a reference to the

assets pertaining to the Undertaking of the Transferor Company vested in the Transferee Company by the virtue of the Scheme. The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in Transferee Company by virtue of the amalgamation. The Transferee Company shall not be obliged to create any further or additional security thereof after the amalgamation has become effective.

- (vii) All other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to their employees, or the employees of any of their subsidiaries, with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment;
- (viii) All permanent and temporary employees engaged by the Transferor Company at various locations.

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

## 2. SHARE CAPITAL

- (a) The Share Capital of ALL, the Transferor Company as per the audited Balance Sheet as on December 31, 2014 is as under:

Authorised	Amount In Rs.
1,00,00,000 Equity shares of Rs. 10/- each	100,000,000
<b>Issued, Subscribed &amp; Paid Up</b>	
67,67,250 Equity shares of Rs. 10/- each fully paid up	67,672,500

The Transferee Company presently holds 100% of the Issued, Subscribed and Paid Up Equity capital of the Transferor Company, and hence the Transferor Company is the Wholly Owned Subsidiary of the Transferee Company. There is no change in the capital structure of the Company since the aforesaid date.

- (b) The Share Capital of ALL, the Transferee Company as per the Balance Sheet as on December 31, 2014 is as under:

Authorised	Amount In Rs.
9,19,98,750 Equity shares of Rs. 10/- each	919,987,500
<b>Issued, Subscribed &amp; Paid Up</b>	
3,84,95,356 Equity shares of Rs. 10/- each fully paid up	384,953,560

The Board of Directors/Committee of Board of Directors of the Transferee Company at their meeting held on February 5, 2015 has issued and allotted 1,147 Equity Shares of Rs. 10/- each fully paid-up to the Employees of the Company in terms of the 'Apar Industries Limited Stock Option Plan - 2007'. Further, 266 Equity shares have been allotted at their Meeting held on May 14, 2015 to the Employees of the Company under above Stock Option Plan. Accordingly, the paid up Share Capital of the Company as on May 14, 2015 is as under :

Authorised	Amount In Rs.
9,19,98,750 Equity shares of Rs. 10/- each	919,987,500
<b>Issued, Subscribed &amp; Paid Up</b>	
3,84,96,769 Equity shares of Rs. 10/- each fully paid up	384,967,690

## 3. TRANSFER AND VESTING OF UNDERTAKING:

### Generally

- 3.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Section 394 and other applicable provisions of the Act, if any, the Undertaking of the Transferor Company shall, without any further act, instrument or deed, be and stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, rights, titles and interests and authorities including accretions and appurtenances thereto such as dividends, or other benefits receivable, Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

### TRANSFER OF ASSETS

- 3.2 Without prejudice to the generality of Clause 3.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:
- a. All assets and properties of the Transferor Company as on the Appointed Date, 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 be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act.
- b. In respect of such assets owned and belonging to the Undertaking of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, and shall become the property of the Transferee Company in pursuance of the provisions of Section 394 and other applicable provisions of the Act.

- c. In respect of movables other than those dealt with in Clause 3.2 (ii) above including without any further act, instrument or deed of the Transferee Company, the sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, 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 on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).
- d. All consents, permissions, licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, claims, liberties, special status, other benefits or privileges and any powers of attorney given by, issued to or executed in favour of the Transferor Company including in relation to the Undertaking, and all rights and benefits which have accrued to the Transferor Company shall, under the provisions of Section 391 to 394 and other applicable provisions, if any, of the Act, stand transferred to and vested in, or shall be deemed to be transferred to or vested in, the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, so as to become, as and from the Appointed Date, consents, permissions, licenses, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancy, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, claims, liberties, special status, other benefits or privileges and any powers of attorney of the Transferee Company which are valid, binding and enforceable on the same terms, and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company.

#### TRANSFER OF LIABILITIES

3.3 Without prejudice to the generality of Clause 3.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) All the liabilities including all secured and unsecured debts, (whether in Indian rupees or foreign currency), sundry creditors, contingent liabilities, duties, obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations (the "Liabilities") shall, without any further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company without any further act, instrument or deed, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Section. Further, all debts and loans raised, and duties, liabilities and obligations 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, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.
- (ii) Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- (iii) All loans raised or used and all liabilities and obligations incurred by the Transferor Company for the operations of the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the Undertaking shall vest in, in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the debts, liabilities, duties and obligations of the Transferee Company which shall meet discharge and satisfy the same.
- (iv) The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or borrower as the case may be that pursuant to the High Court sanctioning the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto.
- (v) The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or borrower that pursuant to the High Court having sanctioned the Scheme, the said person, debtor or borrower shall pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company.
- (vi) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided. All encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secures 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 Transferor 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.
- (vii) Without prejudice to the provisions of the foregoing Sections and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge, with the Registrar of Companies, Gujarat to give formal effect to the above provisions, if required.
- (viii) It is expressly provided that no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 3.4 Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Section 3 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 shall stand modified and / or superseded by the foregoing provisions.
- 3.5 Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded 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.

#### 4. CONTRACTS, DEEDS AND OTHER INSTRUMENTS:

Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, 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, and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee



Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which the Transferor Company will, if necessary, also be a party in order to give formal effect to this clause, if so required or become necessary.

**5. LEGAL PROCEEDINGS:**

- (i) Upon coming into effect of this Scheme, all suits, claims, actions and/or proceedings by or against the Transferor Company, arising after the Appointed Date but before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and / or arising by or against the Transferee Company.
- (ii) The Transferee Company will undertake to have all legal, judicial or other proceedings initiated and /or to be initiated after the Effective Date by or against the Transferor Company referred to in sub-clause (i) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company. The Transferor Company and the Transferee Company shall make relevant applications in that behalf and the Transferor Company and the Transferee Company shall co-operate with each other in respect of any such legal and other proceedings.
- (iii) Upon coming into effect of this Scheme, all suits, claims, actions and/or proceedings by or against the Transferor Company pending on or pertaining to the period prior to the Appointed Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and / or arising by or against the Transferee Company.

**6. OPERATIVE DATE OF THE SCHEME:**

This Scheme though effective from the Appointed Date shall be operative from the Effective Date.

**7. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY AND TRANSFEREE COMPANY TILL EFFECTIVE DATE:**

With effect from the Appointed Date, and upto the Effective Date:

- (i) The Transferor Company shall carry on and shall be deemed to have carried on all the business and activities as hitherto and shall be deemed to have held and stood possessed of the undertaking on account of, and for the benefit of and in trust for the Transferee Company.
- (ii) All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Company shall, for all purposes be treated and be deemed to be accrued as the profits or income or incurred as the expenditure or losses or taxes of the Transferee Company, as the case may be.
- (iii) The Transferor Company shall carry on its business and activities with reasonable diligence and business prudence.
- (iv) The Transferor Company shall not vary the terms and conditions and employment of permanent employees of the Company except in the ordinary course of business or with prior written approval of the Transferee Company.
- (v) The Transferor Company shall not, without prior written consent of the Transferee Company, take any major policy decisions in respect of management of the company except in the ordinary course of business.
- (vi) The Transferor Company and the Transferee Company shall co-operate with each other for smooth transfer of the Undertaking from the Transferor Company to the Transferee Company and any director of the Transferor Company and any director of the Transferee Company shall be empowered to give effect to the scheme in all aspects as may be necessary or expedient including settling any question or difficulties arising in relation to the Scheme in such manner as they deem fit to attain the objectives of this Scheme and their decision in this regard shall be final and binding.

It is hereby agreed and clarified that whenever under this Scheme, the approval of the Transferor Company is required to be obtained, it shall be the approval of any one of the directors of the Transferor Company and whenever under this Scheme, the approval of the Transferee Company is required to be obtained, it shall be the approval of any one of the directors of the Transferee Company.

**8. CONSIDERATION BY THE TRANSFEREE COMPANY:**

The Transferor Company is the wholly owned subsidiary of the Transferee Company and hence the entire share capital of the company is held by the said Transferee Company. Upon the Scheme becoming finally effective, the entire share capital of the Transferor Company shall get automatically cancelled/ extinguished. The Transferee Company shall not be required to issue and allot any shares as the Transferee Company and its nominee are themselves the only shareholders of the Transferor Company.

**9. ACCOUNTING TREATMENT OF ASSETS, LIABILITIES AND RESERVES OF THE TRANSFEROR COMPANY:**

- (i) Upon this Scheme becoming effective, the Transferee Company shall account for the amalgamation / merger in its books, as per the "Purchase Method" under the Accounting Standard 14 "Accounting for Amalgamation" issued by the Institute of Chartered Accountants of India, as specified hereunder:
- (ii) All the assets and liabilities recorded in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at its' carrying amount as appearing in the books of Transferor Company except that:
  - (a) fixed assets will be recorded at its estimated market value based on valuation report obtained from Registered Valuers as on the Appointed Date; and
  - (b) adjustments shall be made wherever necessary to confirm to the accounting policies and methods adopted by the Transferee Company.
- (iii) The excess, if any, of the amount of the investment in the Transferor Company held by the Transferee Company as appearing in the books of the Transferee Company, as on the Appointed Date over the value of the net assets (after considering the values of the assets and liabilities as arrived at under clause 9(i) & (ii) above) of the Transferor Company acquired by the Transferee Company upon its' transfer to and vesting in the Transferee Company under the Scheme shall be debited to "Goodwill Account".
- (iv) The excess, if any, of the aggregate value of the net assets (after considering the values of the assets and liabilities as arrived at under clause 9(i) & (ii) above) of the Transferor Company acquired by the Transferee Company upon their transfer to and vesting in the Transferee Company under the Scheme over the amount of investment in the Transferor Company held by the Transferee Company as appearing in the books of the Transferee Company, as on the Effective Date shall be credited to "Capital Reserve Account".

- (v) Goodwill Account, if any, (net of Capital Reserve Account, if any), as per clauses 9(ii) and 9(iii) above, shall be written off in accordance with the Accounting Standard - 14 Issued by the Institute of Chartered Accountants of India.

**10. EMPLOYEES:**

- (i) On the Scheme taking effect as aforesaid, all employees of the Transferor Company, shall be engaged by the Transferee Company, without any interruption of service and on such terms and conditions, as are no less favourable than those on which they are currently engaged by Transferor Company.
- (ii) With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of Transferor Company, the Transferee Company shall, upon this Scheme becoming effective and with effect from the Appointed Date, stand substituted for Transferor Company for all purposes whatsoever, including with regard to the obligation to make contributions to the said funds and schemes, in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by Transferor Company for such employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Transferee Company to the existing funds maintained by Transferor Company.
- (iii) The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the permanent employees of the Transferor Company, the past services of such employees with Transferor Company shall also be taken into account and agrees and undertakes to pay the same as and when payable.

**11. SAVING OF CONCLUDED TRANSACTIONS:-**

The transfer of assets, properties and liabilities above and the continuance of proceedings by or against the Transferee Company shall not affect any transaction or proceedings already concluded in the Transferor Company on 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 done and executed by the Transferor Company, in respect thereto as done and executed on its behalf.

**12. TAX CREDIT/DUTIES/CESS ETC.**

- (i) The Transferee Company will be the successor of the Transferor Company. Hence, it will be deemed that the benefit of any tax credits whether central, state or local, availed by the Transferor Company and the obligations if any for payment of the tax on any assets of the Transferor Company or their erection and / or installation, etc. shall be deemed to have been availed by the Transferee Company or as the case may be deemed to be the obligations of the Transferee Company. Consequently, and as the Scheme does not contemplate removal of any asset by the Transferee Company from the premises in which it is installed, no reversal of any tax credit needs to be made.
- (ii) With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable/receivable by the Transferor Company including all or any refunds/credit/claims relating thereto shall be treated as the asset/liability or refunds/credit/claims, as the case may be, of the Transferee Company.
- (iii) The Transferee Company is expressly permitted to revise its tax returns including tax deducted at source (TDS) certificates/ returns and to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Transferor Company as vested with the Transferee Company upon coming into effect of this Scheme, and its right to make such revisions in the related tax returns and related certificates, as applicable, and the right to claim refunds, adjustments, credits, set offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

**13. DISSOLUTION OF THE TRANSFEROR COMPANY:**

Upon the Scheme being effective, the Transferor Company shall be dissolved without winding up upon an order made by the High Court of Gujarat in accordance with the provisions of the Companies Act.

**14. CONSOLIDATION OF AUTHORISED CAPITAL AND AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY:**

**(a) Capital Clause:**

Upon coming into effect of the Scheme, the Authorised Share Capital of the Transferor Company as mentioned in Clause 2(a) amounting to Rs. 10,00,00,000/- or such amount as may be on the effective date, shall be added to the Authorised Share Capital of the Transferee Company, as on the effective date, without any further act or deed and without any further payment of the stamp duty or the registration fees and Clause V of the Memorandum of Association and Article 5 (a) of the Transferee Company shall be amended accordingly.

- (b) It is hereby further provided that the above referred amendment, viz. Change in the Capital Clause shall become operative on the scheme being effective and subject to the requisite resolutions passed at the subsequent Annual General Meeting of the Transferee Company.

**15. APPLICATIONS TO THE HIGH COURT:**

The Transferor Company shall make all applications/petitions under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act and Applicable Laws to the High Court of Gujarat and the Governmental Authority, as applicable, for sanctioning of this Scheme for carrying this Scheme into effect and obtain all approvals as may be required under law. However, the Transferee Company shall make the requisite application to the High court of Gujarat for seeking dispensation of further proceedings in light of the fact that the Transferor Company is a Wholly Owned Subsidiary of the Transferee Company. It shall undertake the requisite proceedings, if so directed by the High court of Gujarat.

**16. MODIFICATIONS, AMENDMENTS TO THE SCHEME:**

- (i) The Transferor Company (by its Directors) and the Transferee Company (by its Directors) may in their full and absolute discretion assent from time to time on behalf of all persons concerned to any modifications or amendments or addition to this Scheme or to any conditions or limitations which the Hon'ble High Court of Gujarat at Ahmedabad or any authorities under the Law may deem fit to approve or impose and / or to resolve any doubt or difficulties that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things as may be necessary, desirable or proper for carrying the Scheme into effect.
- (ii) For the purpose of giving effect of this Scheme or to any modifications or amendments, thereof, any of the Directors of the Transferor Company and any of the Directors of the Transferee Company may give and are authorised to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

- (iii) Further any of the Directors of the Transferor Company and any of the Directors of the Transferee Company shall be entitled to modify any of the terms of this Scheme in future to settle any of the difficulties or to implement the provisions of this Scheme smoothly and hassle free manner, if such need arises and for all purposes the Effective Date for such subsequent modified scheme shall be the same as specified in this Scheme.

**17. SCHEME CONDITIONAL UPON APPROVALS/SANCTIONS:**

This Scheme is specifically conditional upon and subject to:

- (i) The Scheme being approved by the requisite majority of the respective members and such class of persons of the Transferor Company as may be directed by the High Court;
- (ii) The Scheme being approved by the concerned Stock Exchanges in compliance with the terms of the listing agreement and guidelines issued by Securities and Exchange Board of India and in particular vide Circular CIR/CFD/DIL/5/2013 dated February 4, 2013 and Circular CIR/CFD/DIL/8/2013 dated May 21, 2013;
- (iii) Compliance of the direction issued by SEBI in terms of its above Circulars through the observation letters issued by BSE and NSE dated 19th May, 2015 as reproduced herein below:
- a. The scheme shall provide for voting by public shareholders through postal ballot and e-voting w.r.t. the acquisition of shares in the past by ALL from the shareholders of ALL which are also the promoters of ALL, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution and that the scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it, in compliance with para 5.16(a) of aforesaid SEBI Circular.
- b. The company shall duly comply with various provisions of the Circulars.
- (iv) The sanction of the Hon'ble High Court of Gujarat at Ahmedabad being obtained under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 or any other Governmental Authorities if so required on behalf of the Transferor Company.
- (v) The certified copies of the High Court orders referred to in this Scheme being filed with the Registrar of Companies, Ahmedabad, Gujarat, as applicable.
- (vi) The requisite consent, approval or permission of the Government Authority or any other statutory authority, which by law may be necessary for the implementation of this scheme.

**18. OPERATIVE DATE OF THE SCHEME:**

This Scheme although to come into operation from the Appointed Date shall not come into effect until the last date viz.:

- (i) The date on which the last of all the consents, approvals, permissions, resolutions, sanctions and/or orders as are here in above referred to have been obtained or passed; and
- (ii) The date on which all necessary certified copies of the order under sections 391 and 394 of the Companies Act, 1956 are duly filed with the Registrar of Companies, Ahmedabad, Gujarat and such date shall be referred to as Effective Date for the purpose of the Scheme. All other compliances relating to filing and stamp duty etc., if applicable shall be done on or after the Effective Date.
- (iii) It is the intention and understanding of the parties hereto that the accounting and commercial effect of the Scheme shall take effect from the Appointed Date despite the Scheme becoming effective from Effective Date under the relevant laws.

**19. EFFECT OF NON-RECEIPT OF APPROVAL/SANCTION:**

In the event of any of the said sanctions and/or approvals referred to in the scheme above not being obtained and/or the Scheme not being sanctioned by the Hon'ble High Court or any other Governmental Authorities and/or the Order(s) not being passed or sanctions not being granted as aforesaid, the Board of the Directors of the Transferor Company and the Transferee company are hereby empowered and authorised to revoke and/or cancel the proposed scheme and to resolve that the scheme be of no effect save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, obligation and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in this Scheme and or otherwise arise as per Law.

**20. EXPENSES CONNECTED WITH THE SCHEME:**

All costs, charges and expenses, including any taxes and duties of the Transferor Company and the Transferee Company respectively in relation to or in connection with or incidental to this Scheme and of carrying out and completing the terms of this Scheme shall be borne and paid by the Transferee Company.



**NATIONAL STOCK EXCHANGE  
OF INDIA LIMITED**

**NIFTY 50**  
Stock of the nation

Ref: NSE/LIST/26733

May 19, 2015

The Company Secretary  
Apar Industries Limited  
301, Panorama Complex,  
R.C. Dutt Road,  
Vadodara, Gujarat - 390007

**Kind Attn.: Ms. Sanjaya Kunder**

Dear Madam,

**Sub: Observation letter for draft Scheme of Arrangement in the nature of Amalgamation of Apar Lubricants Limited with Apar Industries Limited.**

This has reference to draft Scheme of Arrangement in the nature of Amalgamation of Apar Lubricants Limited with Apar Industries Limited submitted to NSE vide your letter dated March 2, 2015.

Based on our letter reference no Ref: NSE/LIST/2239 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated May 19, 2015, has given following comments on the draft Scheme of Arrangement in the nature of Amalgamation:

*"a. The scheme shall provide for voting by public shareholders through postal ballot and e-voting w.r.t. the acquisition of shares in the past by AIL from the shareholders of ALL which are also the promoters of AIL, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution and that the scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it, in compliance with para 5.16(a) of aforesaid SEBI Circular*

*b. The company shall duly comply with various provisions of the Circulars".*

We hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with Hon'ble High Court.

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

The validity of this "Observation Letter" shall be six months from May 19, 2015, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India. • Tel: +91 22 26598235/36, 26598346 • Fax: +91 22 26598237/38  
E-mail : [cmilist@nse.co.in](mailto:cmilist@nse.co.in) • Web site: [www.nseindia.com](http://www.nseindia.com)



- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme.
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,  
For National Stock Exchange of India Limited

Kamlesh Patel  
Manager

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

This Document is Digitally Signed



Signer : Patel Kamlesh  
Date: Tue, May 19, 2015 20:09:43 GMT+05:30  
Location: NSE

BSE Limited Registered Office: Floor 25, 1<sup>st</sup> Towers, Dalal Street, Mumbai 400 001 India  
 T: +91 22 2727 1234/33 F: +91 22 2272 1003 www.bseindia.com  
 Corporate Identity Number : U67120MH000541CIS5189



DCS/AMAL/KS/24(F)/354/2015-16

May 20, 2015

The Company Secretary,  
**Apar Industries Ltd.**  
 301, Panorama Complex,  
 R C Dutt Road,  
 Vadodara,  
 Gujarat, 390 007.

**Sub: Observation letter regarding the Scheme of Arrangement Involving amalgamation of M/s Apar Lubricants Limited with M/s Apar Industries Limited.**

We are in receipt of Scheme of Arrangement Involving Amalgamation of M/s Apar Lubricants Limited (ALL) with M/s Apar Industries Limited (AIL).

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide its letter May 19, 2015 has inter alia given the following comment(s) on the draft scheme of arrangement:

- *The scheme shall provide for voting by public shareholders through postal ballot and e-voting w.r.t. the acquisition of shares in the past by AIL from the shareholders of ALL which are also the promoters of AIL, after disclosure of all material facts in the explanatory statement sent to shareholders in relation to such resolution and that the scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it, in compliance with para 5.16(a) of the aforesaid SEBI circular.*
- *Company shall duly comply with various provisions of the Circulars.*

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

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

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

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

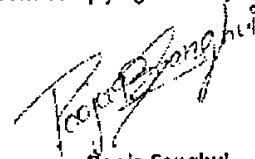
- a. Copy of the High Court approved Scheme;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d. Copy of the observation letter issued by all the Stock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

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

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

Yours faithfully,

  
Nitin Puri  
Manager

  
Pooja Sanghvi  
Asst. Manager



# APAR INDUSTRIES LTD.

ANNEXURE - 4

**CORPORATE OFFICE :**  
APAR HOUSE, CORPORATE PARK,  
SION TROMBAY ROAD, CHEMBUR,  
MUMBAI - 400 071, INDIA.  
T : (+91) (22) 2526 3400 / 6780 0400  
F : (+91) (22) 2524 6326  
E : corporate@apar.com  
url : www.apar.com

SEC/3003/2015

30<sup>th</sup> March, 2015

BSE Limited  
Department of Corporate Affairs  
27<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Fort,  
Mumbai - 400 001.

Scrip Code : 532259

Kind Attn.: Listing Department

Dear Sir,

Ref. : Scheme of Amalgamation between Apar Lubricants Limited (ALL) and Apar Industries Limited (AIL) under Sections 391 to 394 of the Companies Act, 1956.

Sub. : Complaints Report pursuant to application under Clause 24(f) of the Listing Agreement

In continuation to our application under Clause 24(f) for the sanction of Scheme of Amalgamation between Apar Lubricants Limited and Apar Industries Limited (submitted at your Exchange on 9<sup>th</sup> March, 2015 and submitted to National Stock Exchange of India Ltd., being Designated Stock Exchange, on 5<sup>th</sup> March, 2015) and Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dtd. February 4, 2013, please find enclosed herewith "Complaints Report."

In accordance with Clause 5.15 of the SEBI Circular No. CIR/CFD/DIL/5/2013 dtd. February 4, 2013, we do hereby confirm that we have not received any complaints either at our Registered Office or at Corporate Office address. Further, we also confirm that our Registrar and Transfer Agents, M/s. MCS Share Transfer Agents Limited, Kolkata also have not received any complaints in this regard.

The Complaints Report will also be uploaded on the website of the Company i.e. [www.apar.com](http://www.apar.com) as per the requirement of the said circular.

You are requested to kindly take the same on your records.

Thanking you,

Yours faithfully,  
For Apar Industries Limited

  
(Sanjaya Kunder)  
Company Secretary

Encl.: As above.

REGD. OFFICE : 301/306, PANORAMA COMPLEX, R. C. DUTT ROAD, VADODARA - 390007, INDIA  
T : (+91) (265) 2323175 / 2323176 / 2322796 • F : (+91) (265) 2330309 • E : apar.baroda@apar.com • url : www.apar.com  
CIN : L91110GJ1989PLC012802



Complaints Report

(Commencing from the date of filing of documents under Clause 24(f) of the Listing Agreement i.e. 5<sup>th</sup> March, 2015 to National Stock Exchange of India Ltd., being Designated Stock Exchange, till the date of expiry of 21 days from the same i.e. 26<sup>th</sup> March, 2015).

Part - A

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

Part - B

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



For Apar Industries Ltd.

*Sanjaya Kunder*  
Sanjaya Kunder  
(Company Secretary)

Mumbai, 30<sup>th</sup> March, 2015



# APAR INDUSTRIES LTD.

CORPORATE OFFICE :  
APAR HOUSE, CORPORATE PARK,  
SION TROMBAY ROAD, CHEMBUR,  
MUMBAI - 400 071, INDIA  
T : (+91) (22) 2526 3400 / 6780 0400  
F : (+91) (22) 2524 6326  
E : corporate@apar.com  
url : www.apar.com

SEC/3003/2015

30<sup>th</sup> March, 2015

National Stock Exchange of India Limited  
"Exchange Plaza",  
Bandra-Kurla Complex,  
Bandra (East),  
Mumbai - 400 051.

Scrip Symbol : APARINDS  
Kind Attn.: Listing Department

Dear Sir,

Ref. : Scheme of Amalgamation between Apar Lubricants Limited (ALL) and Apar Industries Limited (AIL) under Sections 391 to 394 of the Companies Act, 1956.

Sub. : Complaints Report pursuant to application under Clause 24(f) of the Listing Agreement

In continuation to our application under Clause 24(f) for the sanction of Scheme of Amalgamation between Apar Lubricants Limited and Apar Industries Limited (submitted at your Exchange on 5<sup>th</sup> March, 2015) and Pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dtd. February 4, 2013, please find enclosed herewith "Complaints Report."

In accordance with Clause 5.15 of the SEBI Circular No. CIR/CFD/DIL/5/2013 dtd. February 4, 2013, we do hereby confirm that we have not received any complaints either at our Registered Office or at Corporate Office address. Further, we also confirm that our Registrar and Transfer Agents, M/s. MCS Share Transfer Agents Limited, Kolkata also have not received any complaints in this regard.

The Complaints Report will also be uploaded on the website of the Company i.e. [www.apar.com](http://www.apar.com) as per the requirement of the said circular.

You are requested to kindly take the same on your records.

Thanking you,

Yours faithfully,

For Apar Industries Limited

  
(Sanjaya Kunder)  
Company Secretary

Encl.: As above.

REGD. OFFICE : 301/306, PANORAMA COMPLEX, R. C. DUTT ROAD, VADGDARA - 390007, INDIA  
T : (+91) (265) 2323175 / 2323176 / 2322798 • F : (+91) (265) 2330309 • E : apar@vadoda@apar.com • url : www.apar.com  
CIN : L91110GJ1989PLC012802

**Complaints Report**

(Commencing from the date of filing of documents under Clause 24(f) of the Listing Agreement on the Stock Exchange i.e. 5<sup>th</sup> March, 2015 till the date of expiry of 21 days from the same i.e. 26<sup>th</sup> March, 2015).

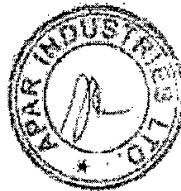
**Part - A**

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

**Part - B**

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

For Apar Industries Ltd.



*Sanjaya Kunder*  
**Sanjaya Kunder**  
 (Company Secretary)

Mumbai, 30<sup>th</sup> March, 2015

STRICTLY PRIVATE &amp; CONFIDENTIAL

February 5, 2015

The Board of Directors,  
Apar Industries Limited  
301, Panorama Complex,  
R. C. Dutt Road,  
Vadodara - 390 007, Gujarat.



Re: Fairness Opinion in connection with the amalgamation of Apar Lubricants Limited, (formerly Apar ChemateK Lubricants Limited) with Apar Industries Limited pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

Dear Sirs,

We have been requested by the management of Apar Industries Limited (hereinafter referred to as "AIL" or as the "Company") to give fairness opinion in connection with the amalgamation of Apar Lubricants Limited, (formerly Apar ChemateK Lubricants Limited) (hereinafter referred to as "ALL"), with the Company (together referred to as "Companies"). We have been informed that the appointed date for proposed amalgamation is January 1, 2015.

## 1. BACKGROUND

### 1.1 Apar Industries Limited

Apar Industries Limited (AIL) is a company registered under the provisions of the Companies Act, 1956 with its Registered Office at 301, Panorama Complex, R. C. Dutt Road, Vadodara 390 007 Gujarat. It was incorporated on September 28, 1989 as "Gujarat Apar Polymers Limited". The name of the Company was changed to "Apar Industries Limited" w.c.f. April 19, 1999. AIL is presently engaged in the manufacture of Transformer Oils, Special Grade Pharmaceutical Oils, Automotive Lubricants/Oils, Other Specialty Oils, All Aluminum Conductors (AAC), All Aluminum Alloy Conductors (AAAC), Aluminum Conductor Steel Reinforced (ACSR) Conductors, Aluminum Rods (suitable for further manufacture of AAC, AAAC and ACSR), Electrical and Telecommunication Cables etc. The equity shares of AIL are listed on the BSE Limited (the "BSE") and on the National Stock Exchange of India Limited (the "NSE").

### 1.2 Apar Lubricants Limited

Apar Lubricants Limited (ALL) (formerly Apar ChemateK Lubricants Limited) is a company incorporated on September 14<sup>th</sup> 2006 in the State of Maharashtra under the provisions of the Companies Act, 1956. Currently, its Registered Office is situate at 301, Panorama Complex, R.





C. Dutt Road, Vadodara - 390 007 in the State of Gujarat. It was originally promoted as Joint Venture Company between Apar Industries Limited (AIL) and ChemateK SpA, Italy, being equal partners. After the exit of the ChemateK SpA from the said arrangement, by selling its holding to AIL; ALL has become Wholly Owned Subsidiary (WOS) of the AIL. The name of company was changed to Apar Lubricants Limited (ALL) with effect from September 5, 2014 and its' registered office has been recently shifted to the State of Gujarat. ALL has been engaged in marketing and distribution of a full line of automotive lubricants/oils and as selected specialized line of industrial lubricants/oils of petrochemical nature etc. manufactured by AIL.

## 2. SCOPE AND PURPOSE OF THIS REPORT

- We understand that the Board of Directors of AIL and ALL are proposing to amalgamate ALL with AIL under scheme of arrangement under the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 (hereinafter referred to 'Scheme of Amalgamation')
- We have been informed that ALL is wholly owned subsidiary of AIL.
- As mentioned above, ALL is a wholly owned subsidiary of AIL. The scheme provides that all equity shares of ALL held by AIL shall stand cancelled and extinguished upon amalgamation coming into effect and no shares of AIL shall be issued or allotted in respect of holding of the AIL in ALL.
- In this connection, the management of AIL has engaged INGA to submit a report on the fairness of the Scheme of Amalgamation as per the requirements of Securities Exchange Board of India Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 and listing agreement entered by AIL with BSE Limited and National Stock Exchange of India Limited. Our Scope of work includes commenting only on the fairness of the Scheme of Amalgamation.

## 3. SOURCES OF INFORMATION

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

- Scheme of amalgamation under section 391 to 394 of the Companies Act, 1956.
- Certificate by M/s Sharp & Tannan, (Chartered Accountants) – Statutory Auditors
- Audited Financials of AIL and ALL for financial years 2012, 2013 and 2014.
- Such other information and explanations as we required and which have been provided by the management of the Companies.





4. **RATIONALE AND KEY FEATURES OF THE SCHEME**

- The proposed scheme will simplify management structure, leading to better administration and a reduction in costs from more focused operational efforts, rationalization, standardization and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses;
- The proposed scheme will simplify shareholding structure and reduce shareholding tiers;
- The proposed scheme will achieve direct and indirect tax efficiencies

5. **VALUATION REPORT**

- In the proposed Scheme of Amalgamation, the entire share capital of ALL held by AIL shall be cancelled and there shall be no change in the share holding pattern of AIL.
- As per para 4.2 of SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013 read together SEBI Circular no. CIR/CFD/DIL/5/2013 dated February 4, 2013, 'Valuation report for an Independent Chartered Accountant' need not be required in cases where there is no change in the shareholding pattern of the listed company.
- Based on the above stated points, the Company has not obtained any Valuation Report from an Independent Chartered Accountant for the proposed Scheme of Amalgamation.

6. **CONSIDERATION FOR AMALGAMATION**

The management of the Companies has proposed that on amalgamation of ALL with AIL all equity shares issued by ALL and held by AIL stand cancelled and extinguished and in lieu thereof, no allotment of any shares shall be made to any person whatsoever.

7. **OPINION**

On the basis of our Scope and Limitations as mentioned in this report and considering the Rationale of the Scheme of Amalgamation, the Scheme of Amalgamation of ALL with AIL, in our opinion is fair.

8. **EXCLUSIONS AND LIMITATIONS**

- 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



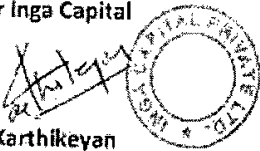


information used during the course of our work. We have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our certificate.

- 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.
- Our opinion is not, nor should it be construed as our opining or certifying the compliance of proposed amalgamation of ALL with ALL with the provision of any law including Companies Act, Income Tax Act and capital market related laws or as regards any legal implications or issues arising thereon.

Thank you,  
Yours faithfully,  
For Inga Capital

S. Karthikeyan  
(Director)  
Place: Mumbai





## APAR INDUSTRIES LIMITED

(CIN : L91110GJ1989PLC012802)

Regd. Office : 301, Panorama Complex, R. C. Dutt Road, Vadodara – 390 007 (Gujarat).

Phone : 0265-2339906, 2331935 Fax : 0265- 2330309

Email : com\_sec@apar.com Website : www.apar.com

### POSTAL BALLOT FORM

(Please read the instructions carefully before completing this form)

1. Sequence No. :
2. Name and Registered Address of the Sole /  
First named Member :  
[ In Block Letters ]
3. Name(s) of the Joint holder (s), if any :  
[In Block Letters]
4. Registered Folio No. / DP ID No. / Client ID No.\* :  
\*(Applicable to Members holding Shares  
in dematerialised form)
5. Number of Shares Held :
6. I / We hereby exercise my / our vote in respect of Resolution to be passed through Postal Ballot for the business stated in the Notice of the Company dated 7th August, 2015 by sending my / our assent (FOR) or dissent (AGAINST) to the said Resolution by placing tick (✓) mark at the appropriate box below :

(Tick in both the boxes will render the ballot invalid)

Description	No. of Shares	(For)	(Against)
		I / We assent to the Resolution	I / We dissent to the Resolution
To approve the proposed Scheme of Amalgamation of Apar Lubricants Limited (Transferor Company) with Apar Industries Limited (Transferee Company) and their respective shareholders and creditors.			

Place :

Date :

\_\_\_\_\_  
(Signature of the Member)

Last date for receipt of Postal Ballot Forms by Scrutinizer is Wednesday, 30th September, 2015.

Note : Please read the instructions printed overleaf carefully before exercising your vote.



## INSTRUCTIONS :

1. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached pre-paid self-addressed envelope. Postage will be borne and paid by the Company. However, any envelope containing Postal Ballot Form, if deposited in person or if sent by courier at the expense of the Member, will also be accepted.
2. Please convey your assent / dissent in this Postal Ballot Form. The consent must be accorded by recording the assent in the column "FOR" and dissent in the column "AGAINST" by placing a tick (✓) mark in the appropriate column. The assent or dissent received in any other Form shall not be considered valid.
3. This Postal Ballot Form should be duly completed and signed by the Member. In case of joint holding, this Form should be completed and signed (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) to the Company, in respect of shares held in the physical form or dematerialized form respectively) by the first named Member and in his / her absence, by the next named joint-holder.

Where an authorized representative of a body corporate has signed the Postal Ballot Form, a certified copy of the relevant authorization to vote on the Postal Ballot should accompany the Postal Ballot Form.

A Member may sign the Form through an Attorney appointed specifically for this purpose, in which case, an attested true copy of the Power of Attorney should be attached to the Postal Ballot Form.

4. Unsigned, Incomplete or Incorrect Postal Ballot Forms shall be rejected.
5. Kindly ensure that duly completed Postal Ballot Form reaches the Scrutinizer before close of working hours of **Wednesday, 30th September, 2015**. Postal Ballot Form received after **Wednesday, 30th September, 2015** will be strictly treated as if, the reply from the Member(s) has not been received.
6. The self addressed envelope bears the name and postal address of the Scrutinizer appointed by the Board of Directors of the Company.
7. A Member may request for a duplicate Postal Ballot Form, if so required, and the same duly completed should reach the Scrutinizer not later than the date specified under instruction 5 above i.e. on or before **Wednesday, 30th September, 2015**.
8. Voting rights shall be reckoned on the paid up value of shares registered in the name of the Member as on the date of dispatch of the Notice.
9. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed pre-paid self-addressed envelope. The Scrutinizer would destroy any extraneous paper found in such envelope.
10. A Member need not use all his / her votes nor he / she needs to cast all his / her votes in the same way.
11. Members are requested to fill the Postal Ballot Form in indelible ink (and avoid filling it by using erasable writing medium/s like pencil).
12. There will be only one Postal Ballot Form for every Folio / Client ID, irrespective of the number of joint holders.
13. The decision of the Scrutinizer on the validity of the Postal Ballot will be final.