



# SAHYOG MULTIBASE LIMITED

(FORMERLY SAHYOG CREDITS LIMITED)

House No. 9, Road No. 13, East Punjabi Bagh, New Delhi-110026

CIN: L74110DL1992PLC116773

FORM NO. CAA.3

[Pursuant to section 230(5) and rule 8]

**In the Matter Company Application No. (CAA) 112/PB/2019 for Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited (Transferor Company) with Sahyog Multibase Limited (Transferee Company) and their respective shareholders and creditors under Sections 230-232 read of the Companies Act, 2013.**

To

The Manager  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort,  
Mumbai-400001

Scrip Code: 539600

Dear Sir/ Ma'am,

Notice is hereby given in pursuance of Sub-Section (5) of Section 230 of the Companies Act, 2013, that as directed by the National Company Law Tribunal, Principal Bench at New Delhi by an order dated August 21, 2019 under Sub-Section (1) of Section 230 of the Act, a meeting of the Equity Shareholders of Sahyog Multibase Limited (Transferee Company) is scheduled to be held on Saturday, October 12, 2019 at 12:00 Noon to consider the Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited ('Transferor Company' / 'Applicant Company 1') and Sahyog Multibase Limited ('Transferee Company' / 'Applicant Company 2') at 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026.

A copy of the notice and explanatory statement including the Scheme of Arrangement sent to equity shareholders of the Company is enclosed.

You are hereby informed that representations, if any, in connection with the proposed Scheme, may be made to the Tribunal within 30 (Thirty Days) from the date of receipt of this notice. Copy of the representation may simultaneously be sent to the company.

In case, no representation is received within the stated period of thirty days, it shall be presumed that you have no representation to make on the proposed Scheme of Arrangement of Amalgamation.



For Sahyog Multibase Limited

*Himanshi Negi*

Himanshi Negi

Company Secretary and Compliance Officer



Dated this 7<sup>th</sup> day of September, 2019

Place: Delhi

**Enclosures:** Copies of the notice in relation to the Meeting, together with the documents accompanying the same, including the relevant Explanatory Statements, the Scheme, the Form of Proxy and the Attendance Slip.

## NOTICE - EQUITY SHAREHOLDERS

### SAHYOG MULTIBASE LIMITED

Registered Office	:	House No. 9, Road No.-13,East Punjabi Bagh, New Delhi - 110026
Tel. No.	:	+91- 9811876512
CIN	:	L74110DL1992PLC116773
Website	:	<a href="http://www.sahyogmultibaselimited.com">http://www.sahyogmultibaselimited.com</a>
E-mail ID	:	<a href="mailto:sahyogcreditslimited@yahoo.in">sahyogcreditslimited@yahoo.in</a>

### MEETING OF THE EQUITY SHAREHOLDERS OF

### SAHYOG MULTIBASE LIMITED

*(Convened pursuant to Order dated 21<sup>st</sup> August, 2019 passed by the Hon'ble  
National Company Law Tribunal, Principal Bench at New Delhi)*

#### NOTICE FOR NCLT CONVENED MEETING OF THE EQUITY SHAREHOLDERS

Day	:	Saturday
Date	:	12 <sup>th</sup> Day of October, 2019
Time	:	12:00 Noon
Venue	:	5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026

**SAHYOG MULTIBASE LIMITED**

CIN: L74110DL1992PLC116773

**Regd. Office:** House No. 9, Road No.-13, East Punjabi Bagh, New Delhi - 110026

**Tel. No.:**+91- 9811876512; **Email ID:** [sahyogcreditslimited@yahoo.in](mailto:sahyogcreditslimited@yahoo.in)

**Website:** <http://www.sahyogmultibaselimited.com>

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THE EQUITY SHAREHOLDERS OF THE COMPANY**

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**Start Date:** Thursday, 12<sup>th</sup> Day of September, 2019, at 09:00 A.M.

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
PRINCIPAL BENCH AT NEW DELHI,  
COMPANY APPLICATION (CAA) NO. 112(PB)/2019**

**IN THE MATTER OF:**

**SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE  
COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016.**

**AND**

**IN THE MATTER OF:**

**BEST AGROCHEM PRIVATE LIMITED  
HAVING ITS REGISTERED OFFICE AT  
S-1A BHAGWAN DASS NAGAR,  
EAST PUNJABI BAGH, NEW DELHI-110026**

**(TRANSFEROR COMPANY/  
APPLICANT COMPANY 1)**

**WITH**

**SAHYOG MULTIBASE LIMITED  
HAVING ITS REGISTERED OFFICE AT  
HOUSE NO. 9, ROAD NO.-13, EAST PUNJABI BAGH,  
NEW DELHI-110026**

**(TRANSFeree COMPANY/  
APPLICANT COMPANY 2)**

**NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS (WHICH  
INCLUDES PUBLIC SHAREHOLDERS) OF SAHYOG MULTIBASE LIMITED (TRANSFeree  
COMPANY) AS PER THE DIRECTIONS OF HON'BLE NATIONAL COMPANY LAW  
TRIBUNAL, PRINCIPAL BENCH AT NEW DELHI**

**To,**

**All the Equity Shareholders of Sahyog Multibase Limited (the "Transferee Company"):**

**NOTICE** is hereby given that by an Order dated 21<sup>st</sup> August, 2019 (the "**Order**"), the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi ("**NCLT**") has directed a meeting to be held of the Equity Shareholders of the Transferee Company for the purpose of considering, and if thought fit,

approving, with or without modification(s), the arrangement embodied in the Scheme of Arrangement for Amalgamation among Best Agrochem Private Limited (“Transferor Company”) and Sahyog Multibase Limited (“Transferee Company”) and their respective shareholders and creditors (“Scheme”). In pursuance of the said Order and as directed therein further notice is hereby given that a meeting of the Equity Shareholders of the Transferee Company will be held **at 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026, on Saturday, the 12<sup>th</sup> Day of October, 2019 at 12:00 Noon** at the said time and place you are requested to attend. At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

**“RESOLVED THAT** pursuant to the provisions of Sections 230 – 232 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities and Exchange Board of India (SEBI) Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017, the “Observation Letter” issued by the BSE Limited (“BSE”) dated 13<sup>th</sup> June, 2019 and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon’ble National Company Law Tribunal, Principal Bench at New Delhi (“NCLT”) and subject to such other approval(s), permission(s) and sanction(s) of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited (“Transferor Company”) and Sahyog Multibase Limited (“Transferee Company”) and their respective shareholders and creditors (“Scheme”) placed before this meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that

may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

**TAKE FURTHER NOTICE** that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the registered office of the Transferee Company at House No. 9, Road No.-13, East Punjabi Bagh, New Delhi - 110026, not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the registered office of the Transferee Company.

**TAKE FURTHER NOTICE** that in compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (v) SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017; the Transferee Company has provided the facility of voting by postal ballot and e-voting so as to enable the equity shareholders, which includes the Public Shareholders (as defined in the Notes below), to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Transferee Company to the Scheme shall be carried out through (i) postal ballot or e-voting and (ii) ballot or polling paper at the venue of the meeting to be held on Saturday, 12<sup>th</sup> Day of October, 2019 at 12:00 Noon.

Copies of the Scheme and of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Transferee Company at House No. 9, Road No.-13, East Punjabi Bagh, New Delhi – 110026.

NCLT has appointed Mr. Vivek Goyal, Chartered Accountant as Chairperson, Mr. Ajay Bhagwati, as Alternate Chairperson and Mr. Suresh Goyal, Chartered Accountant as the Scrutinizer of the said meeting of Equity Shareholders of the Transferee Company.



The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of NCLT. A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Sd/-

Mr. Vivek Goyal

Chairperson for the NCLT

Convened Meeting of Equity

Shareholders of Sahyog Multibase Limited

Dated: 4<sup>th</sup> day of September, 2019

Place: New Delhi

**Notes:**

1. Only registered equity shareholders of the Transferee Company as on Cut-off date i.e. Friday, 6<sup>th</sup> September, 2019 may attend and vote either in person or by proxy (a proxy need not be an equity shareholder of the Transferee Company) or in the case of a body corporate or Registered Foreign Portfolio Investors ("RFPI") or Foreign Institutional Investors ("FII"), by a representative authorized under Section 113 of the Companies Act, 2013 at the meeting of the equity shareholders of the Transferee Company. The authorized representative of a body corporate/RFPI/FII which is a registered equity shareholder of the Transferee Company may attend and vote at the meeting of the Equity Shareholders of the Transferee Company provided a copy of the resolution of the Board of Directors or other governing body of the body corporate/RFPI/FII authorizing such representative to attend and vote at the meeting of the equity shareholders of the Transferee Company, duly certified to be a true copy by a director, the manager, the secretary or other authorized officer of such body corporate/RFPI/FII, is deposited at the registered office of the Transferee Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the equity shareholders of the Transferee Company.
2. As per Section 105 of the Companies Act, 2013 and the rules made thereunder, a person can act as proxy on behalf of not more than 50 (fifty) Equity Shareholders holding in aggregate, not more than 10% (ten percent) of the total share capital of the Transferee Company carrying voting rights. Equity shareholders holding more than 10% (ten percent) of the total share capital of the Transferee

Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or equity shareholder.

3. The form of proxy can be obtained free of charge from the registered office of the Transferee Company.
4. All alterations made in the form of proxy should be initialed.
5. NCLT by its Order has directed that a meeting of the equity shareholders of the **Transferee Company shall be convened and held at 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026 on Saturday, 12<sup>th</sup> Day of October, 2019 at 12:00 Noon** for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Equity Shareholders would be entitled to vote in the said meeting either in person or through proxy. Equity Shareholders who have cast their votes through e-voting may also attend the meeting but shall not be entitled to cast their vote again.
6. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 22 read with Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; (iv) Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (v) SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 issued by the Securities and Exchange Board of India (SEBI), the Transferee Company has provided the facility of voting by postal ballot and e-voting so as to enable the equity shareholder, which includes the Public Shareholders (as defined below), to consider and approve the Scheme by way of the aforesaid resolution. Accordingly, voting by equity shareholders of the Transferee Company to the Scheme shall be carried out through (i) postal ballot or e-voting and (ii) polling paper at the venue of the meeting to be held at 12:00 Noon on Saturday, 12<sup>th</sup> Day of October, 2019.
7. A registered equity shareholder or his proxy, attending the meeting, is requested to bring the Attendance Slip duly filled in and signed.
8. The registered equity shareholders who hold shares in dematerialized form and who are attending the meeting are requested to bring their DP ID and Client ID for easy identification.

9. The registered equity shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Members of the Transferee Company list of beneficial owners as received from Depositories in respect of such joint holding will be entitled to vote.
10. The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders (which includes public shareholders) at the registered office of the Transferee Company between 11:00 A.M. and 05:00 P.M. on all working days up to the date of the meeting.
11. Equity shareholders (which includes Public Shareholders) holding equity shares as on Wednesday, 06<sup>th</sup> September, 2019 being the cut-off date, will be entitled to exercise their right to vote on the above resolution.
12. The Notice, together with the documents accompanying the same, is being sent to all the equity shareholders either by registered post or speed post or through courier service or electronically by e-mail to those equity shareholders who have registered their e-mail id with the Transferee Company/ Registrar and Share Transfer Agents/ Depositories, whose names appear in the register of members/ list of beneficial owners as received from Depositories as on Friday, 6<sup>th</sup> September, 2019. The Notice will be displayed on the website of the Transferee Company <http://www.sahyogmultibaselimited.com> and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
13. A person, whose name is not recorded in the register of members or in the register of beneficial owners maintained by NSDL / CDSL as on the cut-off date i.e. Friday, 6<sup>th</sup> September, 2019, shall not be entitled to avail the facility of e-voting or voting through postal ballot or voting at the meeting to be held on the Saturday, 12<sup>th</sup> Day of October, 2019. Voting rights shall be reckoned on the paid-up value of the shares registered in the names of equity shareholders (which include Public Shareholders) as on Friday, 6<sup>th</sup> September, 2019. Persons, who are not equity shareholders of the Transferee Company as on the cut-off date i.e. Friday, 6<sup>th</sup> September, 2019 should treat this notice for information purposes only.
14. The voting by the equity shareholders (including the Public Shareholders) through the postal ballot or e-voting shall commence at 9.00 A.M on Thursday, 12<sup>th</sup> Day of September, 2019 and shall close at 5:00 P.M on Friday, 11<sup>th</sup> Day of October, 2019.
15. The notice convening the meeting will be published through advertisement in (i) Indian Express (English, Delhi Edition) in the English language; and (ii) Jansatta(Hindi, Delhi Edition).

16. SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017 (“**SEBI Circular**”) issued by the Securities and Exchange Board of India (“SEBI”), inter alia, provides that approval of Public Shareholders of the Transferee Company to the Scheme shall be obtained by way of voting through postal ballot and e-voting. Since, the Transferee Company is seeking the approval of its equity shareholders (which includes Public Shareholders) to the Scheme by way of voting through postal ballot and e-voting, no separate procedure for voting through postal ballot and e-voting would be required to be carried out by the Transferee Company for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The aforesaid notice sent to the equity shareholders (which include Public Shareholders) of the Transferee Company would be deemed to be the notice sent to the Public Shareholders of the Transferee Company. For this purpose, the term “Public” shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term “Public Shareholders” shall be construed accordingly. In terms of SEBI Circular the Transferee Company has provided the facility of voting by postal ballot and e-voting to its Public Shareholders.

NCLT, by its Order, has, inter alia, held that since the Transferee Company is directed to convene a meeting of its equity shareholders, which includes Public Shareholders, and the voting in respect of the equity shareholders, which includes Public Shareholders, is through postal ballot and e-voting, the same is in compliance of SEBI Circular.

17. In accordance with the provisions of Sections 230 (6) of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the equity shareholders of the Transferee Company, voting in person or by proxy or by postal ballot or e-voting, agree to the Scheme.

18. Further, in accordance with the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the Public Shareholders (through postal ballot or e-voting) in favor of the aforesaid resolution for approval of Scheme are more than the number of votes cast by the Public Shareholders against it.

19. The Transferee Company has engaged the services of National Securities Depository Limited (“NSDL”) for facilitating e-voting for the said meeting to be held on the Saturday, 12<sup>th</sup> Day of October, 2019. Equity shareholders desiring to exercise their vote by using e-voting facility are requested to follow the instructions mentioned in Notes below.



20. A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed. Equity shareholder's voting in physical form are requested to carefully read the instructions printed in the attached postal ballot form, equity shareholders who have received the postal ballot form by e-mail and who wish to vote through postal ballot form, can download the postal ballot form from the Transferee Company <http://www.sahyogmultibaselimited.com> or seek duplicate postal ballot form from the Transferee Company.
21. Equity shareholders shall fill the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed postage pre-paid envelope to the scrutinizer so as to reach the scrutinizer before 5:00 P.M on or before Friday, 11<sup>th</sup> Day of October, 2019. Postal ballot form, if sent by courier or by registered post/speed post at the expense of an equity shareholder will also be accepted. Any postal ballot form received after the said date and time period shall be treated as if the reply from the equity shareholders has not been received.
22. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected by the scrutinizer.
23. The vote on postal ballot cannot be exercised through proxy.
24. There will be only 1 (one) postal ballot form for every registered folio/client ID irrespective of the number of joint equity shareholders.
25. The postal ballot form should be completed and signed by the equity shareholders (as per specimen signature registered with the Transferee Company and/or furnished by the Depositories). In case, shares are jointly held, this form should be completed and signed by the first named equity shareholder and, in his/her absence, by the next named equity shareholder. Holder(s) of Power of Attorney ("POA") on behalf of an equity shareholder may vote on the postal ballot mentioning the registration number of the POA with the 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.
26. Mr. Suresh Goyal (Chartered Accountant) is appointed as Scrutinizer vide Order dated 21<sup>st</sup> August, 2019 for conducting the voting by way of Postal Ballot/ remote e-voting process in a fair and transparent manner and to receive and scrutinize the completed Physical Postal Ballot Forms from the shareholders. The Physical Postal Ballot Form together with the self-addressed Business Reply Envelope are enclosed for use of shareholders.

27. The scrutinizer will submit his combined report to the Chairperson of the meeting after completion of the scrutiny of the votes cast by the equity shareholders, which includes Public Shareholders, of the Transferee Company through e-voting process, and postal ballot. The scrutinizer will also submit a separate report with regard to the result of the postal ballot and e-voting in respect of Public shareholders. The scrutinizer's decision on the validity of the vote (including e-votes) shall be final.
28. The equity shareholders (which includes Public Shareholders) of the Transferee Company can opt only one mode for voting i.e. by postal ballot or e-voting or voting at the venue of the meeting. If an equity shareholder has opted for e-voting, then he/she should not vote by postal ballot form also and vice versa. However, in case equity shareholder(s) (which includes Public Shareholder(s)) cast their vote both via postal ballot and e-voting, then voting validly done through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.
29. The equity shareholders of the Transferee Company attending the meeting who have not cast their vote either through postal ballot or e-voting shall be entitled to exercise their vote at the venue of the meeting. Equity shareholders who have cast their votes through postal ballot or e-voting may also attend the meeting but shall not be entitled to cast their vote again.
30. The voting through postal ballot and e-voting period will commence at 09:00 A.M. (Nine hours) on Thursday, 12<sup>th</sup> day of September, 2019 and will end at 5.00 P.M. (17:00 hours) on Friday, 11<sup>th</sup> day of October, 2019. During this period, the equity shareholders (which includes Public Shareholders) of the Transferee Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. Friday, 6<sup>th</sup> September, 2019 may cast their vote electronically or by postal ballot. The e-voting module shall be disabled by NSDL for voting on Friday, 11<sup>th</sup> day of October, 2019 at 05:00 P.M. (17:00 hours). Once the vote on the resolution is cast by an equity shareholder, he or she will not be allowed to change it subsequently.
31. Any queries/grievances in relation to the voting by postal ballot or e-voting may be addressed to Ms. Himanshi Negi, Company Secretary of the Transferee Company at House No. 9, Road No.-13, East Punjabi Bagh, New Delhi – 110026, or through email to Company Secretary can also be contacted at [sahyogcreditslimited@yahoo.in](mailto:sahyogcreditslimited@yahoo.in) ; in case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of or call on toll free no.: 1800-222-990.

### 32. Voting through Electronic means:

I. The instructions for the members for voting electronically are as under:-

**(A) In case of members receiving e-mail (For those members whose e-mail addresses are registered with the Company)**

- i) Open email and open attached PDF file “e-Voting.pdf” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as password, which contains your “USER ID” and “Password for e-voting”. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
- ii) If you are holding shares in demat form and had logged on to [www.evoting.nsdl.com](http://www.evoting.nsdl.com) and voted on an earlier voting of any company, then your existing password is to be used. If you forget your password, you can reset your password by using “Forgot User Details / Password ?” or “Physical User Reset Password ?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at toll free No. 1800-222-990
- iii) Launch internet browser by typing the following URL : <https://www.evoting.nsdl.com/>
- iv) Click on “Shareholders – Login
- v) Put User ID and Password as initial password noted in step (i) above. Click Login.
- vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof. Note New Password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vii) Home page of remote e-voting opens. Click on remote e-voting Active Voting Cycles.
- viii) Select “EVEN” (e-voting event number) of “SahyogMultibase Limited”.
- ix) Now, you are ready for remote e-voting as Cast Vote page opens.
- x) 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 “CONFIRM”, else to change your vote, click on “BACK” and accordingly modify your vote.
- xi) Upon confirmation, the message “Vote cast successfully” will be displayed.
- xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiii) You can also take out print of the voting done by you by clicking on “click here to print” option on the voting page.
- xiv) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send a scanned copy (PDF /JPG Format) of the Board Resolution /Authority Letter / Power of

- i) Attorney (POA) etc. together with attested specimen signature of the authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [manojpahwa@anantrajlimited.com](mailto:manojpahwa@anantrajlimited.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**(B) In case of members receiving the physical copy of Notice of General Meeting (for members whose e-mail IDs are not registered with the Company / depository participant(s) or requesting physical copy).**

- a) Initial Password is provided in the box
  - b) Please follow all steps from sl. no. (ii) to sl. no. (xiv) above to cast vote.
1. The Scrutinizer will submit the report to the Chairman appointed by the Hon'ble NCLT after completion of the scrutiny of the postal ballots and e-votes submitted. The Scrutinizer's decision on the validity of the vote (including e-votes) shall be final. The results of the postal ballot and e-voting will be announced by the company after submission of scrutinizer report by the scrutinizer to the Company.
  2. The results, together with the Scrutinizer's report, will be displayed at the registered office and on the website of the Transferee Company i.e., <http://www.sahyogmultibaselimited.com> and also on the website of NSDL i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) besides being communicated to BSE Limited on which the shares of the Transferee Company are listed. Subsequently, the results will be published in "Indian Express" (English, Delhi Edition) and "Jansatta" (Hindi, Delhi Edition).

Sd/-

Vivek Goyal

Chairperson for the NCLT

Convened Meeting of Equity

Shareholders of Sahyog Multibase Limited

Dated: 4<sup>th</sup> day of September, 2019

Place: New Delhi



**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
PRINCIPAL BENCH AT NEW DELHI,  
COMPANY APPLICATION (CAA) No. 112 (PB)/2019**

**IN THE MATTER OF:**

**SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE  
COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016.**

**AND**

**IN THE MATTER OF:**

**BEST AGROCHEM PRIVATE LIMITED  
HAVING ITS REGISTERED OFFICE AT  
S-1A BHAGWAN DASS NAGAR,  
EAST PUNJABI BAGH, NEW DELHI-110026**

**(TRANSFEROR COMPANY/  
APPLICANT COMPANY 1)**

**WITH**

**SAHYOG MULTIBASE LIMITED  
HAVING ITS REGISTERED OFFICE AT  
HOUSE NO. 9, ROAD NO.-13, EAST PUNJABI BAGH,  
NEW DELHI-110026**

**(TRANSFeree COMPANY/  
APPLICANT COMPANY 2)**

**EXPLANATORY STATEMENT UNDER SECTION 102 READ WITH SECTIONS 230(3), 231(1)  
AND 231(2) OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES  
(COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016**

1. Pursuant to the Order passed by the Hon'ble Bench of the National Company Law Tribunal, Principal Bench at New Delhi, (the "NCLT") in the **Company Application (CAA) No. 112(PB)/2019** dated 21<sup>st</sup> August, 2019 ("**Order**") a meeting of the Equity Shareholders of the Sahyog Multibase Limited (hereinafter referred to as the "**Transferee Company**" or "**Applicant Company 2**" as the context may admit), is being convened and held at 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026 on Saturday, the 12<sup>th</sup> Day of October, 2019 at 12:00 Noon for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement for

Amalgamation of Best Agrochem Private Limited (“Transferor Company”) with Sahyog Multibase Limited (“Transferee Company”) and their respective shareholders and Creditors (“**Scheme**”) under Sections 230 to 232 of the Companies Act, 2013 (the “**Act**”) (including any statutory modification or re-enactment or amendment thereof) read with the rules issued thereunder. The Transferor Company and Transferee Company are together referred to as the “**Companies**”.

2. In terms of the said Order, NCLT has appointed Mr. Vivek Goyal Chartered Accountant as Chairperson, Mr. Ajay Bhagwati as Alternate Chairperson and Mr. Suresh Goyal, Chartered Accountant as the Scrutinizer of the meeting of equity shareholders of the Transferee Company.
3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the “**Rules**”).
4. As stated earlier NCLT by its said Order has, inter alia, directed that a meeting of the equity shareholders of the Transferee Company shall be convened and held at 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026 on Saturday, the 12<sup>th</sup> Day of October, 2019 at 12:00 Noon for the purpose of considering and, if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement among Best Agrochem Private Limited (“Transferor Company”) and Sahyog Multibase Limited (“Transferee Company”). Equity shareholders would be entitled to vote in the said meeting either in person or through proxy.
5. In addition, the Transferee Company is seeking the approval of its equity shareholders to the Scheme by way of voting through postal ballot and e-voting. SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10<sup>th</sup>, 2017 (“**SEBI Circular**”) issued by the Securities and Exchange Board of India (“**SEBI**”), inter alia, provides that approval of Public Shareholders of the Transferee Company to the Scheme shall be obtained by way of voting through postal ballot and e-voting. Since, the Applicant Company 2 is seeking the approval of its equity shareholders (which includes Public Shareholders) to the Scheme by way of voting through postal ballot and e-voting, no separate procedure for voting through postal ballot and e-voting would be required to be carried out by the Transferee Company for seeking the approval to the Scheme by its Public Shareholders in terms of SEBI Circular. The notice sent to the equity shareholders (which include Public Shareholders) of the Transferee Company would be deemed to be the notice sent to the Public Shareholders of the Transferee Company.
6. For this purpose, the term “Public” shall have the meaning assigned to it in Rule 2(d) of the Securities Contracts (Regulations) Rules, 1957 and the term “Public Shareholders” shall be construed accordingly.

7. NCLT, by its Order, has, inter alia, held that since the Transferee Company is directed to convene a meeting of its equity shareholders, which includes Public Shareholders, and the voting in respect of the equity shareholders, which includes Public Shareholders, is through postal ballot and e-voting, the same is in sufficient compliance of SEBI Circular.
8. The scrutinizer appointed for conducting the postal ballot and e-voting process will however submit his separate report to the Chairperson appointed by NCLT after completion of the scrutiny of the postal ballot including e-voting submitted/cast by the equity shareholders (which includes Public Shareholders) so as to announce the results of the postal ballot and e-voting exercised by the Public Shareholders of the Transferee Company.
9. In terms of the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the Public Shareholders (through postal ballot or e-voting) in favour of the resolution for approval of Scheme are more than the number of votes cast by the Public Shareholders against it.
10. A copy of the Scheme setting out in detail the terms and conditions of the arrangement, inter alia, providing for the proposed Scheme of Arrangement for Amalgamation among Best Agrochem Private Limited (“Transferor Company”) and Sahyog Multibase Limited (“Transferee Company”) and their respective shareholders, which has been approved by the Board of Directors of the Transferor Company and Transferee Company at its meeting held on 05<sup>th</sup> January, 2019 respectively, is attached to this explanatory statement and forms part of this statement.

### **Overview**

11. The Scheme envisages the Amalgamation between the Transferor Company and Transferee Company under Sections 230-232 of the Companies Act-2013, with effect from 01.04.2018.

## **12. BACKGROUND OF THE COMPANIES**

### **12.1. Details of the Transferee Company: Sahyog Multibase Limited**

- a) Transferee Company is a public limited Company incorporated on 10<sup>th</sup> January, 1992 in accordance with the provisions of the Companies Act, 1956, with the name and style of “Sahyog Credits Limited”. Thereafter, the name was changed to “Sahyog Multibase Limited” and fresh certificate of incorporation has been issued on 21<sup>st</sup> October, 2016 by Registrar of Companies, NCT of Delhi and Haryana.
- b) Corporate Identification Number (CIN): L74110DL1992PLC116773

- c) Permanent Account Number (PAN): AAACS0225L
- d) Registered office of the Transferee Company is situated at House No. 9, Road No.-13, East Punjabi Bagh, New Delhi-110026
- e) Email address: [sahyogcreditslimited@yahoo.in](mailto:sahyogcreditslimited@yahoo.in)
- f) The main objects of the Transferee Company are:
- To carry on the business of buyers, sellers, manufacturers, importers, exporters, traders, stockist, dealers, distributors agents, broker, commission agents, forwarding and clearing agents, sales organizer of all kinds of foods, food grains, cereals and Rice, wheat, Dal, Besan, Maida, Atta, Suji & all kinds of foods products, petrol, kerosene oil and all kinds of plastic & chemicals raw material and products like polymers, petrochemicals, organic compound, inorganic compound, solvents, petroleum products, perfumes, medicines, drugs, pharmaceuticals, nutra-ceuticals, dietary supplements biological foods, natural vitamins, insecticides, fumigates, vitamin products, hospital equipment like surgical equipment and x-ray machines, engineering goods, machine tools, hand tools, small tools, metals alloys, iron pipe, fitting nuts and bolts, bicycles and accessories, automobile parts, steel and stainless and iron products, ores and scraps, metallurgical residues, hides, skins, leather goods, furs, bristles, tobacco, hemp, seeds, oil and cakes, vanaspati, textile, fiber and wastes/coir and jute and products thereof wood and timber, bones, crushed and uncrushed, industrial diamonds, coal and charcoal, glue, gums and resins, ivory, lac, shellac, chemical preparations, plastic and linoleum articles, glass ware, brassware, antiques, handicrafts, handloom, decorative toy, liquid gold, precious and semi precious, stones, ornaments, jewelleryes, pearls, boutiques, soaps, paints, instruments, apparatus and application, machinery and mill work and parts thereof, paper and stationery, sport goods, textiles including decorative hand and machine made readymade garments, carpets, rugs, druggets, artificial silk fabrics, woollen, cloth and all sorts of apparels, dressing materials cosmetics, wigs, belts, cinematograph films exposed gramophone records, rubber, plastic goods, starch, umbrellas, crown croks. batteries, surgical and musical instruments, marble and hardware items, traditional calendars, all kinds of books and manuscripts, electric and electronic products of all kinds, sanitary ware, and fittings, wooden table, natural fibre products, cellulose and cellulose products, mixed blended products, nylon, polyester, fibre, yarn hosiery and mixed fabrics, natural silk fabrics and garments, fish and fish products, fodder bran, fruits nut, cash amount, kernels, grains, pulses, flour, confectionery, provisions, alcohol, beverages, perfumes, spirits, spices and tea, coffee, sugar and molasses, vegetable and vegetable products, processed food and packed food, computer hardware & software & all allied item in India & abroad.

- To carry on the business of buyers, sellers, importers, exporters, traders, stockists, dealers, agents, brokers, commission agents of all kinds of goods and merchandise.
  - To invest the capital of the Company in and deal with shares, stocks, bonds, debentures, obligations or other securities of any company, associations, trust, issue on commission, sell, mortgage or dispose off any of the securities, hereinbefore mentioned or to act as agent for any of the above purposes.
  - To carry on business as auctioneers, house agents, land and estate agents, appraisers, valuers, brokers, commission agents, surveyors and general agents and to purchase otherwise acquire and to sell, let or otherwise dispose of and deal in, real and property of every description.
  - To carry on in India or in any part of the world, the business of proprietors, owners or agents of theatres, cinema houses, and music or concert halls. To construct cinema houses, to own and or hire them out.
  - To carry on business in Information Technology related business i.e. Consultancy/development in Computer Software & Hardware, E-commerce, Internet services providers etc. Also to subscribe, acquire and hold shares & stocks of any other company dealing in same business or to form a 100% subsidiary of the company for the same business. To deal in the business of sale, purchase, import, export, stockiest, distributors, designers,
- g) The Transferee Company is widely held listed Company having its equity shares listed at the BSE Limited (“BSE”).
- h) The Capital Structure of Transferee Company as on 01<sup>st</sup> April, 2018 and immediately before the implementation of the Scheme are as under:

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
87,00,000 Equity Shares of Rs. 10 Each	8,70,00,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
79,76,072 Equity Shares of Rs. 10 Each	7,97,60,720.00
<b>Total</b>	<b>7,97,60,720.00</b>

There is no change in the Capital Structure of the Transferee Company since the Appointed Date.

## 12.2. Details of the Transferor Company: Best Agrochem Private Limited

- a) Transferor Company is a private company incorporated on 3rd December, 2007 under the provisions of Companies Act, 1956 in the name and style of “**Best Agrochem Private Limited**”.

- b) Corporate Identification Number (CIN): U24100DL2007PTC171008
- c) Permanent Account Number (PAN): AACCV6133C
- d) Registered office of the Transferor Company is situated at S-1A, Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi-110026
- e) Email Address: [cs@bestagrochem.co.in](mailto:cs@bestagrochem.co.in)
- f) The main objects of the Transferor Company are:
- To carry on the business of dealers, consignee, traders, buyers, sellers, importers, exporters, agents, distributors in all kinds of chemicals & allied products and chemicals products, industrial chemicals, chemicals raw materials, organic and inorganic chemicals, its components and derivative, PVC, dyes, resins, PVC and polythene master batches and fods, cheorinatedparafin wax, granuals.
  - To carry on the business of producers, processors, formulators, makers, convertors, refiners, dealers, consignee, traders, buyers, sellers, importers, exporters, agents, distributors, retailers, wholesalers, consultants, suppliers, indenters, packers, movers, preservers in all kinds of pesticides& sub categories of pesticides like herbicides, insecticides, weedicides, fungicides, rodenticides, plant growth regulators (PGR), etc.
  - To receive goods on consignment form DIOP, DBP/BBP, DOP, DIBP, soda ashes and acids.
  - To carry on the business as producers, processors, makers, convertors, refiners, importers, exporters, traders, buyers, sellers, retailers, wholesalers, consultants, suppliers, indenters, packers, movers, preservers, stocklists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaries or otherwise deal in chemicals, chemical compounds (organic and inorganic) and intermediaries an all forms, manufacturing of all kind of chemical products and intermediates of any nature and kind whatsoever and all by-products and joint products thereof.
  - To carry on the business as chemical engineers, analytical chemists, producers, processors, makers, convertors, refiners, consultants, importers, exporters, traders, buyers, sellers, retailer, wholesalers, suppliers, indenters, packers, movers, preservers, stocklist, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaries or otherwise deal in heavy chemicals, antibiotics, tannins, tannin extracts, essences, solvents, plastics of all types, dyes stuff, intermediates, textile auxiliaries, cellophanes, colors, dyes, paints, varnishes, vat and other organic dye stuff, chemical auxiliaries, disinfectants, insecticides, fungicides, deodrants, biochemicals and pharmaceutical, medicinal, sizing, bleaching, photographical and other preparations and articles thereof.
  - To carry on the Business of dealers, consignee, traders, buyers, sellers, importers, exporters,

agents, distribution of all kinds of Agro fertilizers, manures, animal feeds, urea and other types of organic or inorganic or mixed fertilizers of synthetic or natural origin containing nitrogen, phosphate or other compounds soda ash, insecticides, fungicides and remedies of all kinds whatsoever for agricultural, fruit growing or other purposes whether produced from vegetable or animal matter or by any chemical process or otherwise.

- g) The Capital Structure of Transferor Company as on 01<sup>st</sup> April, 2018 and immediately before the implementation of the Scheme are as under:

<b>Particulars</b>	<b>Amount (Rs.)</b>
<b>Authorized Share Capital</b>	
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000.00
<b>Issued Capital</b>	
72,37,140 Equity Shares of Rs.10/- each	7,23,71,400.00
<b>Subscribed and fully paid up Capital</b>	
42,37,140 Equity Shares of Rs.10/- each	4,23,71,400.00
<b>Subscribed but not fully paid up Capital</b>	
30,00,000 Equity Shares of Rs.10/- each	3,00,00,000.00
<b>Called up Share Capital</b>	
42,37,140 Equity Shares of Rs.10/- each	4,23,71,400.00
30,00,000 Equity Shares of (Rs. 7.50 Called up)	2,25,00,000.00
<b>Total Called up Share Capital</b>	<b>6,48,71,400.00</b>
<b>Less Calls in Arrears</b>	
<b>Calls unpaid by others</b>	<b>37,50,000.00</b>
<b>Total Paid up Share Capital</b>	<b>6,11,21,400.00</b>

However, pursuant to approval of Board of Directors of the Company dated 28<sup>th</sup> November, 2018 the Company has forfeited 15,00,000 partly paid up equity shares of defaulting shareholder after serving proper notices.

The capital structure of the Transferor Company after the forfeiture of shares on 28<sup>th</sup> November, 2018 is mentioned below:

<b>Particulars</b>	<b>Amount (Rs.)</b>
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<b>Authorized Share Capital</b>	
1,00,00,000 Equity Shares of Rs. 10 Each	10,00,00,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
57,37,140 Equity Shares of Rs. 10 Each	5,73,71,400.00

**13. The salient features and effects of the Scheme are:**

BAPL and SML has business synergies as SML is engaged in several of the key components connected to the agrochemicals, pesticides, insecticides etc. Merger of BAPL would help SML to diversify and expand substantially and in an inorganic manner in a range of branded agrochemical products, formulations and APIs of BAPL. Similarly, merger of BAPL in SML would help BAPL business to get the advantage of much larger financial strength, better leveraging, visibility and liquidity through the listing status. Thus this Scheme of Arrangement for Amalgamation is expected to enable better realization of potential of business and yield beneficial results and enhanced value creation for the companies involved in Scheme, their respective Shareholders and Creditors.

Further this Scheme of Arrangement for Amalgamation of the Transferor Company with the Transferee Company would result, inter-alia, in the following additional benefits to their respective members:

- i. Optimum and efficient utilization of capital, resources, assets and facilities;
- ii. Enhancement of competitive strengths including financial resources;
- iii. Consolidation of businesses and enhancement of economic value addition and shareholder value;
- iv. Obtaining synergy benefits;
- v. Better management and focus on growing the businesses.
- vi. The amalgamation would result in reduction of overheads, administrative, managerial and other expenditure and bring about operational rationalization, efficiency and optimum utilization of various resources.
- vii. A larger growing company will mean enhanced financial and growth prospects for the people and organization connected therewith, and will be in public interest. The amalgamation will conducive for better and more efficient and economical control over the business and financial conduct of the Companies.

**14. The Scheme is divided into the following chapters:**



- i. Part I** - This part of Scheme contains general provisions applicable as used in this Scheme including Definitions and Capital Structure of the Companies along with Objects and Rationale of the Scheme.
- ii. Part II** - This part of Scheme contains transfer and vesting of undertaking of Best Agrochem Private Limited (“Transferor Company”) with SahyogMultibase Limited (“Transferee Company”) pursuant to present scheme.
- iii. Part III** - This part of Scheme contains Reorganization of Share Capital and the Accounting Methodology adopted for the Amalgamation.
- iv. Part IV** - This part of Scheme contains miscellaneous provisions i.e. application/petition to Hon’ble National Company Law Tribunal of relevant jurisdiction and conditionality of Scheme.

## **PART-II**

### **TRANSFER & VESTING OF UNDERTAKING**

1. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and the whole of the undertaking(s), properties and liabilities of Transferor Company shall, in terms of Section 230 and 232 and applicable provisions, if any, of the Companies Act, 2013 and pursuant to the orders of the Hon’ble NCLT or any other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, stand transferred and vested in and/or deemed to be transferred to and vested in Transferee Company as a going concern so as to become, as and from the Appointed Date, the undertaking(s), properties and liabilities of Transferee Company by virtue of and in the manner provided in this Scheme.
2. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and undertaking of Transferor Company shall stand transferred to and be vested in Transferee Company without any further deed or act, together with all their properties, assets, rights, benefits and interest therein, subject to existing charges thereon in favour of banks and financial institutions, as the case may be, in the following manner:
3. **TRANSFER OF ASSETS**  
Upon the sanction of the Scheme by the Hon’ble NCLT, and without prejudice to the generality of the preceding clause, upon the coming into effect of the Scheme and with effect from the Appointed Date:

- 3.1. All immovable properties, assets and rights in the immovable properties of the Transferor Company, whether freehold or leasehold or converted or otherwise and in terms of such permitted usage as mentioned therein and all documents of title, rights and easements in relation thereto shall pursuant to the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Hon'ble NCLT or any other appropriate authority sanctioning the Scheme and without any further act or deed shall stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company, as a going concern, subject to all the encumbrances, fixed and/or floating charges and/or rights given to the lenders of the other divisions of Transferor Company, if any, affecting the same or any part hereof and arising out of liabilities which shall also stand transferred to the Transferee Company. The Transferee Company shall be entitled to and exercise all rights and privileges attached thereto and shall be liable to pay ground rent, taxes and to fulfill obligations in relation to or applicable to such immovable properties. The Transferee Company shall under the provisions of Scheme be deemed to be authorized to execute such instruments, deeds and writing on behalf of the Transferor Company to implement or carry out all such formalities or compliances to give effect to the provisions of this Scheme. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of the Transferee Company. Any inchoate title or possessory title of the Transferor Company shall be deemed to be the title of the Transferee Company.
- 3.2. In respect of all the movable assets of the Transferor Company and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including, but not limited to, stock of goods, raw materials available in the market/ depots/ Godown / factories, sundry debtors, plants and equipment's, temporary structure, sheds which can be dismantled and transferred by delivery, outstanding loans and advances, insurance claims, advance tax, Minimum Alternate Tax (MAT), Goods and Service Tax (GST), set-off rights, pre-paid taxes, levies/liabilities, CENVAT/VAT credits or refunds, if any, recoverable in cash or in kind or for value to be received, bank balances, earnest money and deposits, if any, with Government, Semi-Government, quasi – government or other authority or body or with any company or local and other persons or any other assets otherwise capable of transfer by physical delivery would get transferred by physical delivery only and all others assets would get transferred by endorsement and delivery by vesting and recordable pursuant to this Scheme, shall stand vested in Transferee Company, and shall become the assets and an integral part of Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

- 3.3. Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme on the Appointed Date, all consents, permissions, licenses, approvals, certificates, clearances and authorities including the licenses required for production and distribution of products of the Transferor Company in India and overseas market, and any other licenses, given by, issued to or executed in favour of the Transferor Company in relation to the business as on the Appointed Date, shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the rights and benefits under the same shall be available to the Transferee Company. Any registration fees, charges, etc paid by the Transferor Company in relation to the aforementioned consents, permissions, licenses, approvals, certificates, clearances and authorities, shall deemed to have been paid by the Transferee Company.
- 3.4. With effect from the Appointed Date, Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfill obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to the immovable properties shall be made and duly recorded in the name of Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the Hon'ble NCLT and the Scheme becoming effective in accordance with the terms hereof.
- 3.5. With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to Transferor Company to which the Transferor Company is the party or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.
- 3.6. With effect from the appointed date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copyrights, privileges, software, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Company to which Transferor Company is the party or to the benefit of which Transferor Company may be eligible and which are subsisting or having effect immediately before the effective date, shall be enforceable as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.
- 3.7. With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, no-objection certificates, permissions or approvals or consents required to carry on operations of Transferor Company or granted to Transferor Company shall stand vested in or

transferred to Transferee Company without further act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned therewith in favor of Transferee Company upon the vesting of Transferor Company Businesses and Undertakings pursuant to this Scheme. The benefit of all statutory and regulatory permissions, licenses, approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of Transferor Company shall vest in and become available to Transferee Company pursuant to this scheme.

- 3.8. With effect from the Appointed Date and upon the Scheme becoming effective, all motor vehicles of any description whatsoever of Transferor Company shall stand transferred to and be vested in the Transferee Company, and the appropriate Governmental and Registration Authorities shall substitute the name of Transferee Company in place of Transferor Company, without any further instrument, deed or act or any further payment of fee, charge or securities.

#### **4. TRANSFER OF LIABILITIES**

- 4.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities of Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the “Liabilities”), shall, pursuant to the sanction of this Scheme by the Hon’ble NCLT and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.
- 4.2. All amounts due to Government of India and other authorities and all Bank related liabilities of the Transferor Company and comprising principle outstanding against loans, term loans, cash credit facilities, guarantees, non - fund based limits, buyers credit, etc and including all interest,

charges, fee, penal/ compound interest etc. on such outstanding as on Appointed Date, will become the liabilities of Transferee Company and shall be at same footing as the liabilities towards the Banks of Transferee Company.

- 4.3. The transfer and vesting of the entire business and undertaking of Transferor Company as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of Transferor Company, as the case may be.

Provided that the securities, charges and mortgages (if any subsisting) over and in respect of the part thereof, of Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of Transferor Company vested in Transferee Company pursuant to the Scheme.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by Transferor Company which shall vest in Transferee Company by virtue of the amalgamation of Transferor Company with Transferee Company and Transferee Company shall not be obliged to create any further or additional security there for after the amalgamation has become operative.

- 4.4. All other debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date, whether or not provided in the books of the Transferor Company, and 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.
- 4.5. Where any such debts, loans raised, liabilities, duties and obligations (including contingent liabilities) of the Transferor Company as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.
- 4.6. Loans or other obligations, if any, due between Transferee Company and Transferor Company shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by Transferor Company and held by Transferee Company and vice

versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand cancelled and shall have no further effect.

- 4.7. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company in the ordinary course of its business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

## **5. LEGAL PROCEEDINGS**

- 5.1. With effect from the Appointed Date and upon the Scheme becoming effective, Transferee Company shall bear the burden and the benefits of any legal or other proceedings including direct and indirect tax assessments, if any, initiated by or against Transferor Company.

Provided however, all legal, administrative and other proceedings of whatsoever nature by or against Transferor Company pending in any court or before any authority, judicial, quasi judicial or administrative, any adjudicating authority and/or arising after the Appointed Date and relating to Transferor Company or its respective properties, assets, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against Transferor Company; and from the Effective Date, shall be continued and enforced by or against Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company.

- 5.2. If any suit, appeal or other proceedings of whatever nature by or against Transferor Company be pending, the same shall not abate, be discontinued or be in any way be prejudicially affected by reason of the transfer of the Transferor Company business and undertakings or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Company as if this Scheme had not been made.

## **6. STAFF, WORKMEN AND EMPLOYEES**

With effect from the Appointed Date and upon the scheme becoming effective, all persons that were employed by Transferor Company immediately before such date shall become employees of Transferee Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Transferor Company immediately prior to such transfer and without any break or interruption of service. Transferee Company undertakes to continue to abide by agreement/settlement, if any, entered into by Transferor Company with any union/employee thereof. With regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund or obligation created or existing for the benefit of such employees of Transferor Company upon occurrence of the Effective Date, Transferee Company shall stand substituted for Transferor Company, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund or obligations, if any, created by Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, Transferee Company will make the necessary contributions for such transferred employees of Transferor Company and deposit the same in Provident Fund, Gratuity Fund or Superannuation Fund or obligations, where applicable. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Transferor Company in relation to such schemes or funds shall become those of Transferee Company.

## **7. CONTRACTS, DEEDS, ETC**

7.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature whether pertaining to immovable properties or otherwise to which the Transferor Company is a party or to the benefit of which Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favor of, as the case may be, Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto or there under.

7.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of Transferor Company shall stand transferred to Transferee Company, as if the same were originally given by, issued to or executed in favour of Transferee Company, and 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 Transferee Company. The Transferee Company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

7.3. It is herein clarified that, the Transferee Company will, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangements in relation to Transferor Company to which Transferor Company is party, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Company and to carry out or perform all such formalities or compliances referred to above on part of Transferor Company.

## **8. TAXES AND OTHER MATTERS**

8.1. All taxes (including, without limitation, income tax, wealth tax, entry tax, sales tax, excise duty, custom duty, service tax, Goods and Service Tax (GST), VAT, etc. referred as 'Tax laws') paid or payable by the Transferor Company in respect of the operations, assets and / or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payments (including, without limitation, Income Tax, Minimum Alternate Tax (MAT), Dividend Distribution Tax, Wealth Tax, Sales Tax, Excise Duty, Custom Duty, Service Tax, Goods and Service Tax (GST), VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall in all proceedings, be dealt with accordingly.

8.2. Any refund under the Tax Laws due to the Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company. The Transferee Company is expressly permitted to revise and expressly permitted to file income tax returns, sales tax/ value added tax returns, excise duty, service tax returns and other tax returns, and to claim refunds/ credits pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits including but not limited to MAT paid under section 115JA/ 115JB of the Income Tax Act, 1961 and the right to claim credit therefore in accordance with the provisions of Section 115JAA of the Income Tax Act,



1961. The Transferee Company shall continue to enjoy the tax benefits/ concessions provided to the Transferor Company through Notifications/ Circulars issued by the concerned authorities.

- 8.3. All taxes of any nature, duties, cesses or any other like payment or deductions made by Transferor Company to any statutory authorities such as Income Tax, Sales tax, VAT, service tax, Goods and Service Tax (GST) etc. or any tax deduction / collection at source, tax credits under Tax laws, relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the Hon'ble NCLT upon relevant proof and documents being provided to the said authorities.
- 8.4. The income tax, if any, paid by Transferor Company on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of Transferee Company. Further, Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by Transferor Company for any year, if so necessitated or consequent to this Scheme notwithstanding that the time prescribed for such revision may have elapsed.
- 8.5. From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Company in the relevant bank's/DP's books and records, the Transferor Company shall be entitled to operate the bank/demat accounts of Transferee Company in the existing names.
- 8.6. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of Transferor Company shall stand transferred by the order of the NCLT to Transferee Company, Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning court.

## **9. Conduct of Business**

With effect from the Appointed Date and till the Scheme come into effect:

- 9.1. Transferor Company shall be deemed to carry on all its businesses and activities and stand possessed of its properties and assets for and on account of and in trust for Transferee Company; and all the profits accruing to Transferor Company and all taxes thereon or gains or losses arising or incurred by them shall, for all purposes, be treated as and deemed to be the profits or losses, as the case may be, of Transferee Company;

- 9.2. Transferor Company shall carry on its business with reasonable diligence and in the same manner as they had been doing hitherto, and Transferor Company shall not alter or substantially expand its business except with the concurrence of Transferee Company;
- 9.3. Transferor Company shall not, without the written concurrence of Transferee Company, alienate charge or encumber any of its properties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company, as the case may be.
- 9.4. Transferor Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of Transferee Company.
- 9.5. With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Company as on the close of business on the date preceding the Appointed Date, whether or not provided in its books and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of Transferee Company.
- 9.6. Upon the Scheme coming into effect, Transferee Company shall commence and carry on and shall be authorized to carry on the business carried on by Transferor Company.
10. For the purpose of giving effect to the vesting order passed under Sections 230 and 232 of the Act in respect of this Scheme by the Hon'ble NCLT, Transferee Company shall, at any time pursuant to the order on this Scheme, be entitled to get the record all of the change in the legal right(s) upon the vesting of the Transferor Company business and undertakings in accordance with the provisions of Sections 230 and 232 of the Act. Transferee Company shall be authorized to execute any pleadings; applications, forms, etc. as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

### **PART- III**

#### **REORGANIZATION OF CAPITAL**

##### **1. REORGANISATION OF CAPITAL IN THE TRANSFEE COMPANY**

###### **1.1. Issue of Shares in the Share Capital of Transferee Company;**

Upon coming into effect of the Scheme and in consideration for the amalgamation of Transferor Company with the Transferee Company, the Transferee Company shall, without any further application or deed, issue and allot shares of face value of Rs. 10 each to the members of

Transferor Companies whose name appear in the Register of Members as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, in the following manner:

*Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholders of "Transferor Company" shares in proportion of **245 (Two Hundred Forty Five) Equity shares of face value of Rs.10.00 (Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.10/- (Rupee Ten) each held by them in "Transferor Company" pursuant to this Scheme of Amalgamation.***

- 1.2. For arriving at the share exchange ratio as outlined above, the Companies have considered the Valuation Report submitted by an independent professional firm, **M/s Jagdish Chand & Associates, Chartered Accountants.**
- 1.3. Cross holding at the time of record date (if any), between Transferor Company and the Transferee Company, if not transferred prior to the Effective Date, shall get cancelled at the time of allotment of shares to the shareholders of Transferor Company by Transferee Company and the approval of Scheme by the NCLT under Section 230 and 232 of the Companies Act, 2013 and shall also be treated as approval under Section 66 of the Companies Act, 2013 for reduction of capital pursuant to such cancellations.
- 1.4. In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferor Company shall be empowered in appropriate cases, even subsequent to the Effective Date, as the case may be, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Specified Date, in order to remove any difficulties arising to the Transferee Company of such shares.
- 1.5. Any fraction arising out of allotment of shares as per clause 1.1 above shall be rounded off to the nearest round number.
- 1.6. The said equity shares in the capital of Transferee Company be issued to the shareholders of Transferor Company shall rank paripassu in all respects, with the existing equity shares in Transferee Company from the Appointed Date. Such shares in Transferee Company, to be issued to the shareholders of Transferor Company will, for all purposes, save as expressly provided otherwise, be deemed to have been held by each such member from the Appointed Date.

- 1.7. Upon the Scheme becoming effective and subject to the above provisions, the shareholders of Transferor Company (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company) as on the record date shall receive the shares in their respective Demat accounts or in case there is any specific request from any of the shareholders of the Transferor Company, then such shareholders shall be issued new share certificates. Upon the issue and allotment of new shares in the capital of Transferee Company to the shareholders of Transferor Company, the share certificates in relation to the shares held by them in Transferor Company shall be deemed to have been cancelled. All certificates for the new shares, if any issued, in the capital of Transferee Company shall be sent by Transferee Company to the said shareholders of Transferor Company at their respective registered addresses as appearing in the said registers (or in the case of joint holders to the address of that one of the joint holders whose name stands first in such Registers in respect of such joint holding) and Transferee Company shall not be responsible for any loss in transit.
- 1.8. Approval of this Scheme by the shareholders of Transferee Company shall be deemed to be the due compliance of the provisions of Section 62 of the Companies Act, 2013 for the issue and allotment of shares by Transferee Company to the shareholders of Transferor Company, as provided in this Scheme.

**1.9. INCREASE IN AUTHORIZED SHARE CAPITAL**

- 1.9.1. With effect from the Effective Date and upon the Scheme becoming effective, without any further acts or deeds on the part of the Transferor Company or Transferee Company and notwithstanding anything contained in Section 61 of Companies Act, 2013 the Authorized Share capital of Transferor Company as appearing in its Memorandum of Association on the Effective Date shall get clubbed with the Authorized Share Capital of the Transferee Company as appearing in its Memorandum of Association on the Effective Date and pursuant to this clubbing the Clause V of the Memorandum of Association of the Transferee Company shall stand altered to give effect to the same with effect from the Effective Date. The Face Value of Equity share shall remain same as of the Transferee Company after clubbing of Authorized Capital.
- 1.9.2. Further, in terms of section 232(3)(i) of the Act, upon coming into effect, the fee and duty paid on the Authorized Equity Share Capital of Transferor Company shall be set off against the fee payable on Authorized Share Capital of Transferee Company, without any further act or deed.

- 1.9.3. The filing fee and stamp duty already paid by the Transferor Company on its authorized share capital, which is being combined with the authorized share capital of the Transferee Company, shall be deemed to have been paid by the Transferee Company and accordingly, the Transferee Company shall not be required to pay any fee, additional fee, charges and/or stamp duty on the authorized share capital so increased.
- 1.9.4. If required, the Transferee Company shall take necessary steps to increase its authorized share capital on or before the Effective Date so as to make it sufficient for allotment of shares, to the shareholders of Transferor Company, in consideration of amalgamation after considering the combined authorized share capital of Transferee Company.
- 1.9.5. It is hereby clarified that the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 61 of the Companies Act, 2013 would be required to be separately passed.
- 1.10. On approval of the Scheme by the members of Transferee Company pursuant to Section 230 - 232 of the Companies Act, 2013, it shall be deemed that the said members have also accorded their consent under relevant Articles of the Articles of Association of the Company and Section 61 and Section 64 of the companies Act, 2013 as may be applicable for giving effect to the provisions contained in this Scheme.
- 1.10.1. The issue and allotment of shares to Shareholders of Transferor Company, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under Section 62 of the Companies Act, 2013.

## **2. ALTERATION OF MAIN OBJECT OF TRANSFEE COMPANY**

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Company with the Transferee Company, the main object of Transferor Company shall be added with the main object of the Transferee Company and the approval of this Scheme by the shareholders of Transferee Company shall be deemed to be the due compliance of the provisions of Section 13 of the Companies Act, 2013 for alteration of main object of the Transferee Company.

## **3. ACCOUNTING TREATMENT FOR AMALGAMATION**

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for as per the Purchase Method of Accounting prescribed in "Indian Accounting Standard (Ind AS) 103 for Business Combination" prescribed under Section 133

of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time.

#### **4. LISTING AGREEMENT AND SEBI COMPLIANCES**

- 4.1. Since the Transferee Company being a listed company, this Scheme is subject to the Compliances by the Transferee Company of all the requirements under the listing regulations and all statutory directives of the Securities Exchange Board of India ('SEBI') in so far as they relate to sanction and implementation of the Scheme.
- 4.2. The Transferee Company in compliance with the listing Regulations shall apply for the in-principle approval of Stock Exchange (s), where its shares are listed in terms of the Regulation 37 of the listing regulations.
- 4.3. The Transferee Company shall also comply with the directives of SEBI contained in the Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 ('Circular');
- 4.4. As Para 9 of SEBI Circular NoCFD/DIL3/CIR/2017/21 dated March 10th, 2017 ('Circular') is applicable to this Scheme, therefore it is provided in the Scheme that the Transferee Company will provide voting by the public shareholders through e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders in relation to the said Resolution.

#### **5. Saving of Concluded Transactions**

The transfer of properties and liabilities and the continuance of proceedings by or against Transferor Company as envisaged in above shall not affect any transaction or proceedings already concluded by Transferee Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Transferor Company accept and adopts all acts, deeds and things done and executed by Transferee Company in respect thereto as done and executed by Transferee Company in respect thereto as done and executed on behalf of itself.

#### **6. Dissolution of Transferor Company**

On occurrence of the Effective Date, Transferor Company shall, without any further act or deed, shall stand dissolved without winding up.

***N.B. - The members are requested to read the entire text of the Scheme attached herewith to get fully acquainted with the provisions thereof. What is stated hereinabove, are brief salient features of the said Scheme.***

15. The Valuation Report and summary on valuation report are enclosed as **Annexure- 2 and Annexure -3** respectively.
16. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. The certificate issued by the Statutory Auditors of the Transferee Company is open for inspection.
17. Under the Scheme, no arrangement is sought to be entered into between the Transferee Company and its equity shareholders. No rights of the equity shareholders of the Transferee Company are being affected pursuant to the transfer and vesting of undertaking of Transferee Company.
- Further, no arrangement is sought to be entered into between the Transferee Company and its creditors. No liabilities of the creditors of the Transferee Company is being reduced or being extinguished under the Scheme.
18. As on date, the Transferee Company has no outstanding towards any public deposits or debentures and therefore, the effect of the Scheme on any such public deposit holders or debenture holders or deposit trustees or debenture trustees do not arise.
19. The rights of the employees of the Transferee Company are in no way affected by the Scheme. The employees engaged by the Transferee Company shall continue to be employed by the Transferee Company.
20. There is no effect of the Scheme on the key managerial personnel and/or the directors of the Transferee Company. Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Transferee Company and/or to the extent of their shareholding as nominees in the Transferee Company and/or to the extent that the said Director(s) are common director(s) of the Transferee Company and/or the Transferee Company and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Transferee Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.

**21.** Under the Scheme, an arrangement is sought to be entered into between Transferor Company and its equity shareholders (promoter shareholders and non-promoter shareholders) as the Undertaking of the Transferor Company shall stand transferred to and vested in the Transferee Company.

In respect of the Scheme, an arrangement is sought to be entered into between the Transferor Company and its creditors though no liabilities of the creditors of the Transferor Company is being reduced or being extinguished under the Scheme.

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

Under Part II of the Scheme, no rights of the Employees of Transferor Company are being affected. The services of the Employees of the Transferor Company, under Part II of the Scheme, shall continue on the same terms and conditions on which they were engaged by the Transferor Company. Under Clause 6 of Part II of the Scheme, on and from the Effective Date all persons that were employed by the Transferor Company immediately before such date shall become employee of Transferee Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Transferor Company immediately prior to such transfer and without any break or interruption of service.

Effect of the Scheme on the Key managerial personnel(s) (KMPs) and / or directors of the Transferor Company is that KMPs shall ceased to be KMPs and/or the directors of the Transferor Company and as per requirement they will be appointed as Key managerial personnel(s) (KMPs) and / or directors of the Transferee Company.

Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in the Transferor Company and/ or to the extent of their shareholding as nominees in the Transferee Company and/or to the extent that the said Director(s) are common director(s) of the Transferor Company and/or the Transferee Company and/or to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the Transferor Company. Save as aforesaid, none of the said Directors or the Key Managerial Personnel has any material interest in the Scheme.



22. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferor Company and Transferee Company have in their separate meetings held on 05<sup>th</sup> January, 2019, have adopted a report, inter alia, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders amongst others. Copy of the Reports adopted by the respective Board of Directors of Transferor Company and Transferee Company are enclosed as **Annexure-7 and Annexure-8**, respectively.
23. No investigation proceedings have been instituted or are pending in relation to the Companies under Sections 210 to 229 of Chapter XIV of the Companies Act, 2013 or under the corresponding provisions of the Act of 1956. Further, no proceedings are pending under the Act or under the corresponding provisions of the Act of 1956 against any of the Companies.
24. To the knowledge of the Companies, no winding up proceedings have been filed or are pending against them under the Companies Act, 2013 or the corresponding provisions of the Act of 1956.
25. The Audited balance sheet of Transferor Company as on 31<sup>st</sup> March, 2019 is enclosed as **Annexure -10 (Colly)**.
26. The Audited Balance sheet of Transferee Company as on 31<sup>st</sup> March, 2019 is enclosed at **Annexure-11 (Colly)**.
27. As per the list of Statutory Auditor as on 31.05.2019 of the Transferor Company, the amount due to the Secured Creditors and Unsecured Creditors is Rs. 61,07,49,991.50 and Rs. 171,84,15,233.02 respectively.
28. As per the list of Statutory Auditor 22.07.2019 and 31.05.2019 respectively of the Transferee Company, the amount due to the Secured Creditors and Unsecured Creditors is Rs. Nil and Rs. 88,82,48,111.70 respectively.
29. The name and addresses of the Promoter(s) of Sahyog Multibase Limited (**Transferee Company**), their shareholding in the Transferee Company as on 30.06.2019 are under:

S. No.	Name & Address of Promoters & Promoters Group.	Total Number of Equity Shares	% of total number of shares
1.	Geeta Garg	2,73,265	3.43

	<b>Address:</b> C 16 Bhagwan Das Nagar, East Punjabi Bagh New Delhi, 110026		
2.	Vishesh Gupta <b>Address:</b> F-14/9, Model Town, Part-II New Delhi 110009	1,14,235	1.43
3.	Naresh Kumar Singhal <b>Address:</b> WZ/6, Bhagwan Dass Nagarextn, East Punjabi Bagh NEW DELHI 110026	19,375	0.24
<b>Total</b>		<b>4,06,875</b>	<b>5.10%</b>

30. The name and addresses of the Promoters of Best Agrochem Private Limited (Transferor Company) including their shareholding in the Transferor Company as on 30.06.2019 are as under:

S. No.	Name & Address of Promoters & Promoters Group.	Total Number of Equity Shares	% of total number of shares
1.	Vimal Kumar <b>Address:</b> D-22, 3rd Floor, BhagwanDass Nagar, East Punjabi Bagh, West Delhi, Delhi-110026	445,000	7.76%
2.	VandanaAlawadhi <b>Address:</b> D-22, 3rd Floor, BhagwanDass Nagar, East Punjabi Bagh, West Delhi, Delhi-110026	2,575,640	44.89%
<b>Total</b>		<b>30,20,640</b>	<b>52.65%</b>

31. The list of Directors and KMP of the Transferee Company and their individual shareholding in the Transferee Company as on 30.06.2109 is as per the table below:

S. No.	Name and Address of Director	Total Number of Equity Shares	% of total number of shares
<b>Directors</b>			
1.	Vishesh Gupta <b>Address:</b> F-14/9, Model Town, Part-II New Delhi-110009	1,14,235	1.43
2.	Ghanshyam Prasad Gupta	NIL	NIL

	<b>Address:</b> 14,SFS Flats, Shakti Apartment Ashok Vihar, Phase III Delhi- 110026		
3.	Naresh Kumar Singhal <b>Address:</b> WZ/6, BhagwanDass Nagar Extn, East Punjabi Bagh New Delhi-110026	19,375	0.24
4.	Meetu Aggarwal <b>Address:</b> C-12 NarainaVihar, Delhi-110028	NIL	NIL
<b>Key Managerial Personnel's</b>			
A	Ms. Himanshi Negi <b>Address:</b> House No. 17, Pocket 4, Block-F Sector-16, Rohini New Delhi 110089	NIL	NIL
B	Mr. Shrawan Kumar Prasad <b>Address:</b> House Number-109 Nazafgarh Road,Nangloi,Nilothi Nangloi 110041	NIL	NIL

32. The list of Directors and KMP of the Transferor Company and their individual shareholding in the Transferor Company as on 30.06.2019 is as per the table below:

S. No.	Name and Address of Director	Total Number of Equity Shares	% of total number of shares
<b>Directors</b>			
1.	Vimal Kumar <b>Address:</b> R/o D- 22, 3 <sup>rd</sup> Floor, BhagwanDass Nagar, East Punjabi Bagh , Delhi-110026	4,45,000	7.76
2.	VandanaAlawadhi <b>Address:</b> R/o D- 22, 3 <sup>rd</sup> Floor, BhagwanDass Nagar, East Punjabi Bagh , Delhi-110026	25,75,640	44.89
3.	Subodh Kumar <b>Address:</b> R/o 113, Pitampura Village, Pitampura, New Delhi-110034	NIL	NIL
4.	Shuvendu Kumar Satpathy	NIL	NIL

	<b>Address:</b> R/o 39, Top Floor, Channamal Park, East Punjabi Bagh Ashok Park Extension Delhi- 110026		
<b>Key Managerial Personnel's</b>			
<b>A</b>	Ms. Aarti Arora <b>Address:</b> House No. 183, Block-3 (Front- Side), Subhash Nagar West Delhi 110027	NIL	NIL

33. The Pre & Post arrangement (Expected) shareholding pattern of Transferee Company as on 30<sup>th</sup> June, 2019 is as per the table below:

**Pre Amalgamation –Transferee Companyshareholding pattern as on 30<sup>th</sup> June, 2019**

<b>S. No.</b>	<b>Category of Shareholders</b>	<b>Nos.</b>	<b>No. of Equity Shares</b>	<b>Percentage (%) to Equity</b>
<b>A</b>	Promoter & Promoter Group	3	4,06,875	5.1%
	<b>Sub Total (A)</b>	<b>3</b>	<b>406875</b>	<b>5.1%</b>
<b>B</b>	Banks/Mutual Funds/ Indian/ Financial Institutions	-	-	-
	Mutual Fund	-	-	-
	Venture Capital Funds	-	-	-
	Alternate Investment Funds	-	-	-
	Foreign Venture Capital Investors	-	-	-
	Foreign Portfolio Investor	-	-	-
	Financial Institutions / Banks	-	-	-
	Insurance Companies	-	-	-
	Provident Funds/ Pension Funds	-	-	-
	Any Other (Specify)			
	<b>Sub Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C</b>	Central Government/ State Government(s)/ President of India	-	-	-
<b>D</b>	<b>Sub Total (C)</b> Individuals			

	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	534	2,21,886	2.78
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	50	6124903	76.79
	<b>Sub Total (D)</b>	<b>584</b>	<b>63,46,789</b>	<b>79.57%</b>
<b>E</b>	Any Others	35	12,22,408	15.33%
	NRI	-	-	-
	Trusts	-	-	-
	Resident (HUF)	-	-	-
	Clearing Member	-	-	-
	NBFC Registered with RBI	-	-	-
	Bodies Corporate	-	-	-
	<b>Sub Total (E)</b>	<b>35</b>	<b>12,22,408</b>	<b>15.33%</b>
	<b>Grand Total (A+B+C+D+E)</b>	<b>622</b>	<b>79,76,072</b>	<b>100%</b>

Statement showing shareholding of persons belonging to the category “Promoter and Promoter Group”-

<b>S. No.</b>	<b>Name &amp; Address of Promoters &amp; Promoters Group.</b>	<b>Total Number of Equity Shares</b>	<b>% of total number of shares</b>
1.	Geeta Garg	2,73,265	3.43
2.	Vishesh Gupta	1,14,235	1.43
3.	Naresh Kumar Singhal	19,375	0.24
<b>Total</b>		<b>4,06,875</b>	<b>5.10%</b>

**Post Amalgamation– Transferee Company shareholding pattern (Expected) as on 30.06.2019**

<b>S. No.</b>	<b>Category of Shareholders</b>	<b>Nos.</b>	<b>No. of Equity Shares</b>	<b>Percentage (%) to Equity</b>
<b>A</b>	Promoter & Promoter Group	5	78,07,443	35.44%
	<b>Sub Total (A)</b>	<b>5</b>	<b>78,07,443</b>	<b>35.44%</b>
<b>B</b>	Banks/Mutual Funds/ Indian/ Financial Institutions	-	-	-

	Mutual Fund	-	-	-
	Venture Capital Funds	-	-	-
	Alternate Investment Funds	-	-	-
	Foreign Venture Capital Investors	-	-	-
	Foreign Portfolio Investor	-	-	-
	Financial Institutions / Banks	-	-	-
	Insurance Companies	-	-	-
	Provident Funds/ Pension Funds	-	-	-
	Any Other (Specify)	-	-	-
	<b>Sub Total (B)</b>	-	-	-
<b>C</b>	Central Government/ State Government(s)/ President of India	-	-	-
	<b>Sub Total (C)</b>	-	-	-
<b>D</b>	Individuals			
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	553	2,69,171	1.22%
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	71	1,27,33,044	57.79%
	<b>Sub Total (D)</b>	<b>624</b>	<b>1,30,02,215</b>	<b>59.01%</b>
<b>E</b>	Any Others			
	NRI	3	50,550	0.23%
	Trusts			
	Resident (HUF)	15	6,53,399	2.97%
	Clearing Member	6	1,26,466	
	NBFC Registered with RBI			
	Bodies Corporate	11	3,91,993	1.78%
	<b>Sub Total (E)</b>	<b>35</b>	<b>12,22,408</b>	<b>4.98%</b>
	<b>Grand Total (A+B+C+D+E)</b>	<b>664</b>	<b>2,20,32,066</b>	<b>100.00%</b>

Statement showing post arrangement Expected shareholding of persons belonging to the category “Promoter and Promoter Group”-

S. No.	Promoter & Promoter Group	No. of Equity Shares	Percentage (%) to Equity
1.	Geeta Garg	2,73,265	3.43
2.	Vishesh Gupta	1,14,235	1.43
3.	Naresh Kumar Singhal	19,375	0.24
4.	Vimal Kumar	10,90,250	4.95%
5.	Vandana Alawadhi	63,10,318	28.64%
<b>Total Shareholding of Promoter and Promoter Group</b>		<b>78,07,443</b>	<b>35.44%</b>

34. The Pre shareholders list of Transferor Company as on 31.05.2019 is as per the table below:

**Pre Amalgamation: shareholding of Transferor Company as on 31.05.2019.**

S. No.	Name & Address of Promoters & Promoters Group.	Total Number of Equity Shares	% of total number of shares
1.	Vimal Kumar <b>Address:</b> D-22, 3rd Floor, BhagwanDass Nagar, East Punjabi Bagh, West Delhi, Delhi-110026	445,000	7.76%
2.	VandanaAlawadhi <b>Address:</b> D-22, 3rd Floor, BhagwanDass Nagar, East Punjabi Bagh, West Delhi, Delhi-110026	2,575,640	44.89%
3.	Kamal Kumar <b>Address:</b> A-352, First Floor, MeeraBagh, PaschimVihar, Sunder Vihar, West Delhi, Delhi-110087	150,100	2.62%
4.	Ashok Kumar Jain <b>Address:</b> House number - 308/10, Aman Niwas, Hansi, Hisar, Haryana - 125033	100	0.00%
5.	Priyanka Jain	1,100	0.02%

	<b>Address:</b> House no. 1244A, Near Govind Palace, Sec-14, Hisar, Haryana-125001		
6.	Shashi Jain, <b>Address:</b> House no. 1244A, Sec-14, Hisar, Haryana-125001	1,100	0.02%
7.	MohitMongia <b>Address:</b> House no. 126, First floor, A Block, ShankerGarden,VikasPuri, Tilak Nagar, S.O, West Delhi, Delhi -110018	1,000	0.02%
8.	Anil Madan <b>Address:</b> House No. 226, V.P.O, Mirpur, Agroha (54) Hisar, Agroha, Haryana-125047	50,000	0.87%
9.	Bhagirath Mal <b>Address:</b> House No. 1942, Binola Market, Mandi Adampur, Hisar, Haryana-125052	2,000	0.03%
10.	Chander Bhan <b>Address:</b> Kirtan (46), Dist. Hisar,Haryana-125001	1,000	0.02%
11.	Mohan Lal Arora <b>Address:</b> House No 1103, Sector-18 C, Chandigarh, Sector-18 PO CHD, Chandigarh-160018	1,000	0.02%
12.	Ranjana Devi <b>Address:</b> House No 1185, Sector 14 Hisar, Haryana-125001	36,000	0.63%
13.	Ved Prakash <b>Address:</b> House No. 325, V.P.O Mirpur, Agroha (54) DisttHissar , Haryana-125047	135,000	2.35%
14.	Geeta Rani <b>Address:</b> A-352, First Floor, MeeraBagh, PaschimVihar, Sunder Vihar, West Delhi, Delhi-110087	1,000	0.02%
15.	Sulochna Devi <b>Address:</b> House no. 14A, Model town, Adampur, Hisar, Haryana-125052	1,000	0.02%
16.	Kamal Kumar Karta-Kamal Kumar HUF	90,000	1.57%



	<b>Address:</b> House No. A-352, First Floor, MeeraBagh, PaschimVihar, Sunder Vihar, West Delhi, Delhi-110087		
17.	SwaranLata <b>Address:</b> House No. 125, Mahavir Colony, near S.B.O.P, Uklana (Rural) (113), UklanaMandi, Hisar, Haryana-125113	1,000	0.02%
18.	Raj Kumar <b>Address:</b> House no. 1243, Sector-14, Hisar, Haryana-125001	470,500	8.20%
19.	SaviBhutani <b>Address:</b> H No. 125, Mahavir Colony, Uklana (Rural)(113), UklanaMandi, Hisar, Haryana - 125113	45,000	0.78%
20.	Suman Rani <b>Address:</b> House no. 1243, Near GovindParesh, Sector-14, Hisar P.O, Haryana -125001	1,000	0.02%
21.	Mahabir Prasad <b>Address:</b> MandiAdampur, Opp Hotel Grand City, Near Reliance Petrol Pump, Haryana-125052	1,000	0.02%
22.	Kiran Rani <b>Address:</b> Mirpur, Agroha (54), Hisar, Haryana-125047	1,000	0.02%
23.	Dimpal Madan <b>Address:</b> Village, Meerpur, Agroha (54), Hisar, Haryana-125047	1,000	0.02%
24.	Ramwati <b>Address:</b> House No. 264, PuraniAnajMandi, Tohana, M. LSG, TohanaMandi, Fatehabad, Haryana-125120	1,000	0.02%
25.	Jinender Kansal <b>Address:</b> 59 ward 5, Prem Nagar, Tohana, (Rural) 96, TohanaMandi, Fatehabad, Haryana-125120	1,000	0.02%
26.	Anand Mohan Karta- Anand Mohan(HUF)	1,000	0.02%

	<b>Address:</b> 14, AnajMandi, Adampur (34), MandiAdampur, Hisar, Haryana- 125052		
27.	Usha Rani  <b>Address:</b> Shop No. 14, New Grain Market, MandiAdampur, Adampur (34) Hisar, MandiAdampur, Haryana-125052	1,000	0.02%
28.	Balwant Jain  <b>Address:</b> Shop no. 38,Auto Mkt., Hisar, Haryana- 125001	1,000	0.02%
29.	Raj Kumari  <b>Address:</b> 1671, sector-13, Hisar, Haryana- 125001	210,000	3.66%
30.	Madan Lal Bhutani  <b>Address:</b> H No. 125, Mahavir Colony, Near S.B.O.P, Uklana (Rural)(113), UklanaMandi, Hissar, Haryana - 125113	25,000	0.44%
31.	Mohit Bhutani Karta-Mohit Bhutani HUF  <b>Address:</b> H No. 125, Mahavir Colony, Uklana (Rural)(113), UklanaMandi, Hisar, Haryana - 125113	57,000	0.99%
32.	Desh Raj Sardana  <b>Address:</b> Village Parbhuwala, Tehsil Hissar - 125001	150,000	2.61%
33.	Anand Mohan  <b>Address:</b> 14, AnajMandi, Adampur (34), MandiAdampur, Hisar, Haryana - 125052	275,000	4.79%
34.	Baldev Madan  <b>Address:</b> H No. 1185, Sector-14, Hisar, Haryana -125001	500,000	8.72%
35.	Shammi Nagpal Karta-ShammiNagpal (HUF)  <b>Address:</b> H.No.7, Sector-13, Hisar, Haryana-125001	188,000	3.28%
36.	Bhupinder Singh  <b>Address:</b> Mamupur, Mamupur(203), Rainwali, Fatehabad, Haryana-125120	60,000	1.05%
37.	Ram Niwas	47650	0.83%

	<b>Address:</b> S-1A, BhagwanDass Nagar, East Punjabi Bagh, Punjabi Bagh S.O, West Delhi, Delhi-110026		
<b>38.</b>	Nalini Kanti Satpathy <b>Address:</b> 39, Top Floor, Channamal Park, East Punjabi Bagh, Ashok Park Extn, West Delhi, Delhi-110026	40450	0.71%
<b>39.</b>	Renu Singla <b>Address:</b> House No. F-48, Rajendra Park, Extn., Nangloi, Nilothi, west Delhi, Delhi-110041	29555	0.52%
<b>40.</b>	Munish Kumar Alawadhi <b>Address:</b> House no. 89-0003, Bogha Colony, Old Mandi, Adampur(34), MandiAdampur, Hisar, Haryana-125052	40000	0.70%
<b>41.</b>	Sachin Mittal <b>Address:</b> H.No. 43-B, Ward No. 2, Sirsa Road Housing Board Colony, Hisar, Haryana -125001	74000	1.29%
<b>42.</b>	Sandeep Munjal, <b>Address:</b> H.No. 216A/8 Mohalla, Fikapeer, Near DhaniGhati, Hansi, Hisar, Haryana-125033	23945	0.42%
	<b>Total</b>	<b>5,737,140</b>	<b>100.00%</b>

**Post Arrangement –Transferor Company shareholding pattern (Expected) – Company will be merged into SahyogMultibase Limited**

**35.** The Post-Arrangement (expected) capital structure of Amalgamated Company will be as follows (assuming the continuing capital structure as on 31.05.2019):

<b>Particulars</b>	<b>Amount (Rs.)</b>
<b>Authorized Share Capital</b> 1,87,00,000 Equity Share of Rs. 10/- each	18,70,00,000
<b>Issued, Subscribed and Paid up Share Capital</b> 22,032,066 Equity Shares of Rs.10/- each	220,320,660.00
<b>Total</b>	<b>220,320,660.00</b>

**36. Statement disclosing details of Arrangement and Amalgamation as per Sub Section 3 of Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.**

<b>No.</b>	<b>Particulars</b>	<b>SahyogMultibase Limited (Transferee Company)</b>	<b>Best Agrochem Private Limited (Transferor Company)</b>
<b>(i)</b>	<i>Details of the order of the NCLT directing the calling, convening and conducting of the meeting :-</i>		
a.	Date of the Order	21 <sup>st</sup> August, 2019	
b.	Date, time and venue of the meeting	<b>Meeting of Equity Shareholders</b> Date: 12 <sup>th</sup> October, 2019 Time: 12:00 Noon Venue: 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026.	<b>Meeting of Secured Creditors</b> Date: 12 <sup>th</sup> October, 2019 Time: 11:00 A.M. Venue: 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026.  <b>Meeting of Unsecured Creditors</b> Date: 12 <sup>th</sup> October, 2019 Time: 12:30 P.M. Venue: 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026.
<b>(ii)</b>	Details of the Companies including		
a.	Corporation Identification Number (CIN)	L74110DL1992PLC116773	U24100DL2007PTC171008
b.	Permanent Account Number (PAN)	AAACS0225L	AACCV6133C
c.	Name of Company	Sahyog Multibase Limited	Best Agrochem Private Limited
d.	Date of Incorporation	10.01.1992	03.12.2007
e.	Type of Company	Listed Public Company	Unlisted Private Company
f.	Registered Office address	House No. 9, Road No.-13 East Punjabi Bagh New Delhi East Delhi-110026	S-1A BhagwanDass Nagar East Punjabi Ba New Delhi -110026

	E-mail address	<a href="mailto:sahyogcreditslimited@yahoo.in">sahyogcreditslimited@yahoo.in</a>	<a href="mailto:cs@bestagrochem.co.in">cs@bestagrochem.co.in</a>
g.	Summary of main object as per the memorandum of association; and main business carried on by the Company	As per Para 12.1(f) of the Explanatory Statement.	As per Para 12.2 (f) of the Explanatory Statement.
h.	Details of change of name, Registered Office and objects of the Company during the last five years	The Company was incorporated on 10th January, 1992 in accordance with the provisions of the Companies Act, 1956, with the name and style of Sahyog Credits Limited thereafter, the name was changed to Sahyog Multibase Limited and fresh certificate of incorporation has been issued on 21st October, 2016 by Registrar of Companies, NCT of Delhi and Haryana	The Transferor Company is primarily engaged in the business of wholesale and retail trading of agrochemicals and agro products. The Transferor Company altered the object clause of Memorandum of Association vide certificate dated 18th June, 2019
I.	Name of stock exchange(s) where securities of the company are listed, if applicable	Listed on Bombay Stock Exchange (BSE)	Unlisted
j.	Details of capital structure –	As per Para 12.1(h) of the Explanatory Statement and	As per Para 12.2(g) of the Explanatory Statement and Clause 3.2 of Para 3 of Part I of the Scheme.

	Authorized, Issued, subscribed and paid-up share capital	Clause 3.1 of Para 3 of Part I of the Scheme.	
k.	Names of the promoters and directors along with their addresses	As per Para 29 and 31 of the Explanatory Statement	As per Para 30 and 32 of the Explanatory Statement
(iii)	If the scheme of compromise or arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or arrangement, including holding, subsidiary or associate companies	The Transferee Company does not hold any shares in the Transferor Company.	The Transferor Company does not hold any shares in the Transferee Company.
(iv)	The date of board meeting at which the	The meeting was attended by all the Directors and the resolution was passed at the	The meeting was attended by all the Directors and the resolution was passed at the said meeting on 05.01.2019. All the

	<p>scheme was approved by the board of directors including the name of directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution</p>	<p>said meeting on 05.01.2019. All the directors present in the said meeting voted in favour of the resolution.</p>	<p>directors present in the said meeting voted in favour of the resolution.</p>
(v)	<p>Explanatory Statement disclosing details of the scheme of compromise or arrangement including:-</p>	<p>Kindly refer page no. 22 to 39 of notice.</p>	<p>Kindly refer page no. 22 to 39 of notice.</p>
a.	<p>Parties involved in such compromise or arrangement</p>	<p>Sahyog Multibase Limited (Transferee Company) Best Agrochem Private Limited (Transferor Company)</p>	
b.	<p>In case of amalgamation or merger, appointed Date, effective date, share exchange ratio and other</p>		

	considerations if any.		
	Appointed Date	1 <sup>st</sup> April, 2018	
	Effective Date	The last of the dates on which the certified or authenticated copy of the orders of the NCLT sanctioning the scheme are filed with the Registrar of Companies by the Transferor Company and the Transferee Company.	
	Share Exchange Ratio and other considerations, if any.	Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholders of “Transferor Company” (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company), shares in proportion of <b>245 (Two Hundred Forty Five) Equity shares of face value of Rs.10/- (Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.10/- (Rupee Ten) each</b> held by them in “Transferor Company” pursuant to this Scheme of Amalgamation.	
c.	Summary of Valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at registered office of the Company	<p><b>Refer Annexure - 2 for Valuation Report and summary of valuation report- Annexure -3.</b></p> <p>The same are available for inspection at the Registered Office of the respective Company on all working days between 11 a.m. to 5.00 p.m.</p>	
d.	Details of capital or debt restructuring, if	Nil	



	any		
e.	Rationale for the compromise or arrangement	Refer Clause C of the Preamble of the Scheme. Also refer Para 13 of the Explanatory Statement.	
f.	Benefits of the compromise or arrangement as perceived by the Board of directors to the company, members, creditors and others (as applicable)	As provided in the rationale for Amalgamation in Clause C of the Preamble of the Scheme and As stated in Para 13 of the Explanatory Statement.	
g.	Amount due to Unsecured Creditors	Kindly refer Para 28 of Explanatory Statement.	Kindly refer Para 27 of Explanatory Statement.
(vi)	<i>Disclosure about effect of the compromise or arrangement on</i>		
	Key Managerial personnel (KMP) (other than Directors)	No effect	Shall cease to be KMPs and Director
	Directors	No effect	Shall cease to be directors
	Promoters	No effect	Shall cease to be promoters and become co-promoter of Transferee Company.
	Non-promoter members	No effect	Shall cease to be non-promoters and become shareholders of Transferee Company.

	Depositors	No Effect as none of the Companies have accepted any deposits	
	Creditors	No Effect	Creditors shall become the creditors of the Transferee Company and paid off in the ordinary course of business. Inter-company creditors would get cancelled.
	Debenture holders	No Effect as none of the Companies has issued any debentures.	
	Deposit Trustee & Debenture Trustee	No Effect as none of the Companies has any Deposit or Debenture Trustees.	
	Employees of the Company	No Effect	No Effect as employees, if any, will become employees of the Transferee Company.
(vii)	Disclosure about effect of compromise or arrangement on material interest of Directors, Key Managerial Personnel (KMP) and debenture trustee		
	Directors	No material effect of arrangement and amalgamation	
	Key Managerial personnel	No material effect of arrangement and amalgamation	
	Debenture Trustee	Not Applicable	
(viii)	Investigation or proceedings, if any, pending against the company under the Act	None	None
(ix)	details of the availability of the following documents for obtaining extract from or for making or obtaining copies of or inspection by the members and creditors, namely:		

a.	Latest Audited Financial Statements of the Company including consolidated financial statements	Available at Registered Office of the Transferee Company between 11:00 a.m. to 05:00 p.m. on all working days.
b.	Copy of the order of Tribunal in pursuance of which the meeting is to be convened or has been dispensed with.	Available at Registered Office of the Transferee Company between 11:00 a.m. to 05:00 p.m. on all working days.
c.	Copy of scheme of Compromise or Arrangement	Enclosed as <b>Annexure - 1</b> to this Notice Available at Registered Office of the Transferee Company between 11:00 a.m. to 05:00 p.m. on all working days.
d.	Contracts or Agreements material to the compromise or arrangement	There were no contracts or agreement material to the Scheme of Arrangement and Amalgamation.

e.	The certificate issued by the Auditor of the Company to the effect that the accounting treatment, if any, proposed in the scheme of compromise or arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and	Available at Registered Office of the Transferee Company between 11:00 a.m. to 05:00 p.m. on all working days.
f.	Such other information or documents as the Board	None

	or Management believes necessary and relevant for making decision things for or against the scheme	
(x)	Details of approvals, sanctions or no- objection(s), if any, from regulatory or any other govern mental authorities required, received or pending for the proposed scheme of compromise or arrangement	None  Notice under Section 230(5) of the Companies Act, 2013 is being given to:  (i) The Central Government, through the Regional Director, Northern Region;  (ii) The Registrar of Companies;  (iii) Commissioner of Income-Tax within whose jurisdiction the applicant –companies are assessed.  (iv) Official Liquidator attached to High Court of Delhi.
(xi)	A statement to the effect that the persons to	Creditors to whom the Notice is sent may vote in the meeting either in person or by proxies.

	whom the notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means	
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### 37. Inspection Documents

Inspection of the following documents may be had at the Registered Office of Sahyog Multibase Limited (Transferee Company) at House No.9, Road No. 13, East Punjabi Bagh, New Delhi-110026, India, on all working days between 11.00 A.M. and 5.00 P.M. and the same is displayed on Company's website-

- a. Copy of the order passed by the National Company Law Tribunal, Principal Bench at New Delhi in Application made by the Companies under **Company Application (CAA) No. 112(PB)/2019**, interalia, convening the meeting of the equity shareholders of the Transferee Company.
- b. Copy of Company Application (CAA) No-112(PB)/2019 along with Annexures filed by the Companies before Hon'ble NCLT;
- c. Copies of Memorandum and Articles of Association of the Best Agrochem Private Limited ("Transferor Company") and Sahyog Multibase Limited ("Transferee Company")
- d. Copies of Annual Reports of Best Agrochem Private Limited ("Transferor Company") and Sahyog Multibase Limited ("Transferee Company") for the financial years ended on 31st March, 2018;
- e. Copy of the provisional financial statement of Best Agrochem Private Limited ("Transferor Company") and Sahyog Multibase Limited ("Transferee Company"), respectively, as on 31<sup>st</sup> March, 2019;
- f. Register of Director's Shareholding of Best Agrochem Private Limited ("Transferor Company") and Sahyog Multibase Limited ("Transferee Company");

- a. Copy of the Valuation Report dated 25<sup>th</sup> December, 2018- issued by Sanjeev Jagdish Chand & Associates, Chartered Accountants to the Board of Directors of Best Agrochem Private Limited (“Transferor Company”) and Sahyog Multibase Limited (“Transferee Company”)
- b. Copy of the Fairness Opinion dated 02<sup>nd</sup> January, 2019 issued by SEBI Registered Category-I Merchant Banker, Corporate Professionals Capital Private Limited to the Board of Directors of all the Companies;
- c. Copy of the Statutory Auditors’ certificate dated 05<sup>th</sup> January, 2019 issued by Goyal Nagpal & Co., Chartered Accountants to the Transferee Company and by Wadhwa & Associates. Chartered Accountants to the Transferor Company for Accounting standard compliance under Section 133 of the Companies Act, 2013;
- d. Copy of complaints report dated 22<sup>nd</sup> March, 2019, submitted by the Transferee Company to BSE;
- e. Copy of the Audit Committee Report dated 05<sup>th</sup> January, 2019 of Transferee Company;
- f. Copy of the Board Resolutions passed by the respective Board of Directors of the Companies dated 05<sup>th</sup> January, 2019 respectively;
- g. Copy of the Observation Letter dated 13<sup>th</sup> June, 2019 received from the BSE Limited;
- h. Copy of the Scheme; and
- i. Copy of the Reports of Board of Directors of Best Agrochem Private Limited (“Transferor Company”) and Sahyog Multibase Limited (“Transferee Company”) on impact of Scheme on Directors and employee, pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013.

A copy of the Scheme, Explanatory Statement and Postal Ballot Form may be obtained from the Registered Office of Sahyog Multibase Limited at House No. 9, Road No.-13, East Punjabi Bagh, New Delhi-110026, India.

After the Scheme is approved by the Equity Shareholders, Secured and Unsecured Creditors of Sahyog Multibase Limited (“Transferor Company”), it will be subject to the approval/ sanction of the National Company Law Tribunal, Principal Bench at New Delhi.

Sd/-

Vivek Goyal

Chairman for the Tribunal Convened Meeting of  
Equity Shareholders of Sahyog Multibase Limited

Date: 4<sup>th</sup> day of September, 2019

Place: New Delhi

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
PRINCIPAL BENCH AT NEW DELHI,  
COMPANY APPLICATION (CAA) No. 112 (PB)/2019**

**IN THE MATTER OF:**

**SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE  
COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016.  
AND**

**IN THE MATTER OF:**

**BEST AGROCHEM PRIVATE LIMITED  
HAVING ITS REGISTERED OFFICE AT  
S-1A BHAGWAN DASS NAGAR,  
EAST PUNJABI BAGH, NEW DELHI-110026**

**(TRANSFEROR COMPANY/  
APPLICANT COMPANY 1)**

**WITH**

**SAHYOG MULTIBASE LIMITED  
HAVING ITS REGISTERED OFFICE AT  
HOUSE NO. 9, ROAD NO.-13, EAST PUNJABI BAGH,  
NEW DELHI-110026**

**(TRANSFeree COMPANY/  
APPLICANT COMPANY 2)**

**FORM NO. MGT – 11  
PROXY FORM**

*(Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the  
Companies (Management and Administration) Rules, 2014)*

**EQUITY SHAREHOLDERS**

Name of the Member(s) :

Registered Address :

E-mail ID :



Folio No. / DPID & Client ID :

I / We being the Member(s) of \_\_\_\_\_ equity shares of Rs.10 /- each of SahyogMultibase Limited hereby appoint:

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_

or failing him / her

2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_

or failing him / her

3. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail ID : \_\_\_\_\_ Signature \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Hon'ble National Company Law Tribunal (NCLT) convened meeting of the equity shareholders of the Company, to be held on Saturday, 12<sup>th</sup> October, 2019 at 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026 and at any adjournment(s) thereof in respect of the resolution, as indicated below:

Item No.	Description of the Resolution
1.	Resolution for approval of the Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited ("Transferor Company") with SahyogMultibase Limited ("Transferee Company") and their respective shareholders and creditors pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 read with Rule 3 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 and in terms of the requirement of SEBI circulars.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

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

Affix Revenue Stamp

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

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

**SAHYOG MULTIBASE LIMITED**

CIN: L74110DL1992PLC116773

Regd. Office: House No. 9, Road No.-13, East Punjabi Bagh, New Delhi - 110026

Tel. No.:+91- 9811876512; Email ID: [sahyogcreditslimited@yahoo.in](mailto:sahyogcreditslimited@yahoo.in)Website: <http://www.sahyogmultibaselimited.com>**FORM NO. MGT.12****Polling Paper***[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]*Name of the Company: **Sahyog Multibase Limited** (CIN: L74110DL1992PLC116773)

Registered office: House No. 9, Road No.-13, East Punjabi Bagh, New Delhi – 110026

**BALLOT PAPER**

S. No.	Particulars	Details
1.	Name of the Sole/ First Named Equity Shareholder (In block letters).	
2.	Joint Equity Shareholder(s), if any. (In case joint holder is attending the meeting)	
3.	Name of the Proxy / Authorised Representative.	
4.	Postal address	
5.	Registered folio No./ *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
6.	Class of Shares	<b>EQUITY SHARES</b>

I hereby exercise my vote at the National Company Law Tribunal, Principal Bench at New Delhi convened Meeting of the Equity Shareholders of Sahyog Multibase Limited (Transferee Company) held at 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026 on Saturday, 12<sup>th</sup> October, 2019, in respect of Resolution enumerated below by recording my assent or dissent to the said Resolution in the following manner:

Item No.	Description of Resolution	No. of Shares held by the Shareholder	I assent to the Resolution (FOR)	I dissent from the Resolution (AGAINST)
1.	Resolution for approval of the Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited (“Transferor Company”) with Sahyog Multibase Limited (“Transferee Company”) and their respective shareholders and creditors			

	<p>pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 read with Rule 3 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 and in terms of the requirement of SEBI circulars.</p> <p><b>(As per Resolution given in the Notice of the National Company Law Tribunal, Principal Bench, New Delhi convened Meeting of the Equity Shareholders of SahyogMultibase Limited (Transferee Company) held on Saturday, 12<sup>th</sup> October, 2019.</b></p>			
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Place: New Delhi  
Date:

(Signature of the Shareholder/  
Proxy/ Authorised Representative)

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FOR OFFICE USE

Equity Shares held by Shareholder  
Records  
Date & Time on which Proxy  
Form, if any, Lodged with the  
Company

\_\_\_\_\_

\_\_\_\_\_

Signature of Chairman

Signature of Alternate Chairman

Appointed by the National Company Law Tribunal,  
Principal Bench

Signatures of Scrutinizer

**SAHYOG MULTIBASE LIMITED**

CIN: L74110DL1992PLC116773

**Regd. Office:** House No. 9, Road No.-13, East Punjabi Bagh, New Delhi - 110026

**Tel. No.:**+91- 9811876512; **Email ID:** [sahyogcreditslimited@yahoo.in](mailto:sahyogcreditslimited@yahoo.in)

**Website:** <http://www.sahyogmultibaselimited.com>

**ATTENDANCE SLIP**

**For NCLT Convened Meeting of Equity Shareholders of Sahyog Multibase Limited**

**Proposed Scheme of Arrangement** for Amalgamation of Best Agrochem Private Limited (“Transferor Company”) with Sahyog Multibase Limited (“Transferee Company”) under the provisions of Section 230-232 of the Companies Act, 2013.

**Total no. of Shares:**

**Total Amount of Shares:**

**Name of the Equity Shareholders:**

**Name of Proxy/Authorized Representative:**

**Address:**

I/We hereby record my/our presence at the NCLT Convened meeting of Equity Shareholders of the Company pursuant to the Order dated 21<sup>st</sup> August, 2019 in the **Company Application No. 112(PB)/2019** by Hon’ble National Company Law Tribunal (NCLT), Principal Bench at New Delhi on Saturday, 12<sup>th</sup> October, 2019 at 12:00 Noon at 5/2 Agarwal Bhawan, Jaidev Park, East Punjabi Bagh, New Delhi-110026.

**Equity Shareholder:**

First/Sole/Proxy Holder

Third/Proxy Holder

**Authorized Representative:**

Second/Proxy Holder

Fourth/Proxy Holder

**SAHYOG MULTIBASE LIMITED**

**CIN: L74110DL1992PLC116773**

**Regd. Office:** House No. 9, Road No.-13, East Punjabi Bagh, New Delhi - 110026

**Tel. No.:**+91- 9811876512; **Email ID:** [sahyogcreditslimited@yahoo.in](mailto:sahyogcreditslimited@yahoo.in)

**Website:** <http://www.sahyogmultibaselimited.com>

**ENTRY PASS**

**FOR MEETING OF EQUITY SHREHOLDERS TO BE HELD ON 12<sup>TH</sup>DAY OF OCTOBER,  
2019**

(To be retained throughout the Meeting)

**Total no. of Shares:**

**Total Amount of Shares:**

**Name of the Equity Shareholders:**

**Name of Proxy/Authorized Representative:**

**Address :**

**Equity Shareholders**

**Authorized Representative:**

First/Sole/Proxy Holder

Second/Proxy Holder

Third/Proxy Holder

Fourth/Proxy Holder

(To be printed on back of the Entry Pass)

Notes for Registration of Attendance and Poll:

1. Equity Shareholders are requested to produce attendance slips duly signed, get their entry pass stamped.
2. Entry pass should be retained throughout the meeting.
3. Poll will be conducted in respect of the NCLT Convened meeting. When the poll is announced by the Chairman of the meeting, the poll sheet will be distributed to all the Equity Shareholders present inside the venue of the meeting as ordered by the NCLT. Shareholders are requested to be seated and the poll sheet will reach them at their seats.
4. Poll sheet is to be signed by the Shareholders or proxy present, exactly as per the specimen signature registered with the Company.
5. The venue is equipped with or has to facilitate any clarifications on Equity Shareholders of the Company.
6. Complete poll sheets in all respects should be deposited in Poll Box kept near the stage of the venue.
7. If the Equity Shareholders wants to vote in favour of the Scheme put "FOR" and in case intend to vote against the Scheme put "AGAINST".
8. Equity Shareholders are requested to bring a photo identity card along with them such proof shall be retained throughout the meeting.

**SCHEME OF ARRANGEMENT  
BETWEEN  
BEST AGROCHEM PRIVATE LIMITED  
AND  
SAHYOG MULTIBASE LIMITED  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS  
FOR  
AMALGAMATION OF  
BEST AGROCHEM PRIVATE LIMITED  
("TRANSFEROR COMPANY")  
WITH  
SAHYOG MULTIBASE LIMITED  
("TRANSFeree COMPANY")  
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013**

#### **PARTS OF THE SCHEME:**

- 1. Part I** - This part of Scheme contains general provisions applicable as used in this Scheme including Definitions and Capital Structure of the Companies along with Objects and Rationale of the Scheme.
- 2. Part II** - This part of Scheme contains transfer and vesting of undertaking of Best Agrochem Private Limited (“Transferor Company”) with Sahyog Multibase Limited (“Transferee Company”) pursuant to present scheme.
- 3. Part III** - This part of Scheme contains Reorganization of Share Capital and the Accounting Methodology adopted for the Amalgamation.
- 4. Part IV** - This part of Scheme contains miscellaneous provisions i.e. application/petition to Hon’ble National Company Law Tribunal of relevant jurisdiction and conditionality of Scheme.

**SCHEME OF ARRANGEMENT**  
**UNDER SECTIONS 230-232 OF THE COMPANIES ACT, 2013**  
**BETWEEN**  
**BEST AGROCHEM PRIVATE LIMITED**  
**(“TRANSFEROR COMPANY”)**  
**AND**  
**SAHYOG MULTIBASE LIMITED**  
**(“TRANSFeree COMPANY”)**  
**AND**  
**THEIR SHAREHOLDERS**

[For Amalgamation of **BEST AGROCHEM PRIVATE LIMITED WITH SAHYOG MULTIBASE LIMITED** under the provisions of Section 230 to 232 of Companies Act, 2013]

**PREAMBLE**

**A. An overview of Scheme of Arrangement**

- This Scheme of Arrangement is presented under the provisions of Section 230 -232 of the Companies Act, 2013 (as defined hereinafter) and other relevant provisions of the Companies Act, 2013 as may be applicable and applicable Rules of Companies (Compromises, Arrangements Amalgamations) Rules, 2016 (as defined hereinafter) for Amalgamation of Best Agrochem Private Limited (hereinafter referred as “Transferor Company”) with Sahyog Multibase Limited (hereinafter referred to as “Transferee Company”).
- In consideration Sahyog Multibase Limited to issue its equity shares to the shareholders of Best Agrochem Private Limited on the basis of exchange ratio, as defined in Part -III of this Scheme.
- In addition, this Scheme of Arrangement also provides for various others matter consequential or otherwise integrally connected herewith.

**B. BACKGROUND AND DESCRIPTION OF COMPANIES**

1. **SAHYOG MULTIBASE LIMITED** (herein after referred to as “**SML**” or “**Transferee Company**”), bearing CIN L74110DL1992PLC116773, was originally incorporated on 10<sup>th</sup> January 1992 under the provisions of Companies Act, 1956 with the name and style of Sahyog Credits Limited thereafter, the name was changed to Sahyog Multibase Limited and fresh certificate of incorporation has been issued on 21st October, 2016 by Registrar of Companies –Delhi.

The Registered Office of the Transferee Company was originally situated at Union Territory of Chandigarh and subsequently on July 07, 2003, the Registered Office of the Company shifted from Union Territory of Chandigarh to Delhi. Presently, the registered office of the Company is situated at House No-09,Road No-13, East Punjabi Bagh, New Delhi-110026. The Transferee Company is a widely held listed Company having its shares listed at BSE Limited.

As per amended Memorandum of Association the Company is authorize to carry the business of buyers, sellers, manufacturers, importers, exporters, traders, stockist, dealers, distributors agents, broker, commission agents, forwarding and clearing agents, sales organizer of all kinds of foods, food grains, cereals etc. it is presently engaged in trading of organic and inorganic chemicals, compounds, solvents and drugs.



- 2. BEST AGROCHEM PRIVATE LIMITED** (herein after referred to as “**BAPL**” or “**Transferor Company**”), bearing CIN U24100DL2007PTC171008 was incorporated on 3<sup>rd</sup> December, 2007 under the provisions of Companies Act, 1956. The registered office of the Company is situated at S-1A Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi - 110026.

The company was set up with the objective of providing quality agro inputs. In a span of 11 years company has emerged among the top agrochemical companies in India and as global player with its presence in international markets.

Further, the company is providing diverse range of products to its customers. It has a product portfolio comprising of more than 60 active ingredients and various formulations of pesticides and plant micro-nutrients for protecting and nourishing a wide range of crops. Its product range includes insecticides, herbicides, fungicides, plant growth regulators etc.

**C. RATIONALE FOR THE SCHEME OF ARRANGEMENT**

BAPL and SML has business synergies as SML is engaged in several of the key components connected to the agrochemicals, pesticides, insecticides etc. Merger of BAPL would help SML to diversify and expand substantially and in an inorganic manner in a range of branded agrochemical products, formulations and APIs of BAPL. Similarly, merger of BAPL in SML would help BAPL business to get the advantage of much larger financial strength, better leveraging, visibility and liquidity through the listing status. Thus this Scheme of Arrangement for Amalgamation is expected to enable better realization of potential of business and yield beneficial results and enhanced value creation for the companies involved in Scheme, their respective Shareholders and Creditors.

Further this Scheme of Arrangement for Amalgamation of the Transferor Company with the Transferee Company would result, inter-alia, in the following additional benefits to their respective members:

- i. Optimum and efficient utilization of capital, resources, assets and facilities;
- ii. Enhancement of competitive strengths including financial resources;
- iii. Consolidation of businesses and enhancement of economic value addition and shareholder value;
- iv. Obtaining synergy benefits;
- v. Better management and focus on growing the businesses.
- vi. The amalgamation would result in reduction of overheads, administrative, managerial and other expenditure and bring about operational rationalization, efficiency and optimum utilization of various resources.
- vii. A larger growing company will mean enhanced financial and growth prospects for the people and organization connected therewith, and will be in public interest. The amalgamation will conducive for better and more efficient and economical control over the business and financial conduct of the Companies.

- D.** Due to the aforesaid reasons, it is considered desirable and expedient to amalgamate both the companies in accordance with this Scheme, pursuant to Section 230 – 232 of the Companies Act, 2013.

E. The Amalgamation of BAPL with SML, pursuant to and in accordance with this Scheme, under Section 230-232 of the Companies Act, 2013, shall take place with effect from the Appointed Date and shall be in compliance with Section 2(1B) of the Income Tax Act, 1961.

**PART-I**  
**GENERAL PROVISIONS**

**1. DEFINITIONS:**

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the meanings as set out herein below:

- 1.1. **'Act'** means the Companies Act, 2013, and rules made there under and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.2. **'Applicable Law(s)'** means (a) all the applicable statutes, notification, enactments, act of legislature, listing regulations, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or other instructions having force of law enacted or issued by any Appropriate Authority including any statutory modifications or re-enactment thereof for the time being in force (b) administrative interpretations, writs, injunctions, directions, directives, judgments, arbitral awards, decree, orders, or governmental approvals of, or agreement with, any relevant authority, as may be in force from time to time;
- 1.3. **'Appointed Date'** means 1<sup>st</sup> day of April, 2018 or such other date as may be approved by the National Company Law Tribunal (NCLT) or by such other competent authority having jurisdiction over the Transferor Company and the Transferee Company.
- 1.4. **'Board' or 'Board of Directors'** shall mean Board of Directors of the Transferor Company and the Transferee Company, as the case may be, and unless it be repugnant to the context or otherwise, include a committee of directors or any person(s) authorized by the board of directors or such committee of directors.
- 1.5. **'BSE'** shall mean **BSE Limited**.
- 1.6. **'Effective Date'** means the date on which certified copy of the order of the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi or Hon'ble National Company Law Tribunal having jurisdiction over the Transferor Company and Transferee Company under Sections 230 and 232 of the Act sanctioning the Scheme is filed with the Registrar of Companies of NCT of Delhi and Haryana, New Delhi.  
  
References in this Scheme to the date of "Upon the Scheme becoming effective" or "Effectiveness of this Scheme" shall mean the Effective Date.
- 1.7. **'Law' or 'Applicable Law'** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal, board, court or recognized stock exchange of India or any other country or jurisdiction as applicable.
- 1.8. **'Listing Regulations'** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any amendments, modification or any enactment thereof.

- 1.9. 'NCLT' or 'Tribunal'** means the Hon'ble National Company Law Tribunal, Principal Bench, New Delhi, or Hon'ble National Company Law Tribunal having jurisdiction over the Transferor Company and Transferee Company or any other appropriate forum or authority empowered to approve the Scheme as per the law for the time being in force.
- 1.10. 'Record Date(s)'** means the date(s) to be fixed by the Board of Directors of the Transferee Company, after the Effective Date, with reference to which the eligibility of the equity shareholder of the Transferor Company for the purposes of issue and allotment of shares of the Transferor Company, in terms of the Scheme, shall be determined.
- 1.11. 'Rules' means** Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- 1.12. 'Registrar of Companies' or 'RoC'** means the Registrar of Companies, NCT of Delhi & Haryana at New Delhi.
- 1.13. 'Scheme'** means this Scheme of Arrangement for Amalgamation as set out herein and approved by the Board of Directors of the Transferor Company and the Transferee Company, subject to such modifications as the Hon'ble NCLT may impose or the Transferor Company and the Transferee Company may prefer and the Hon'ble NCLT may approve.
- All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning prescribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.
- 1.14. 'SEBI'** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.15. 'SEBI Circular'** means Circular No. CFD/DIL3/CIR/2017/21 dated March 10th, 2017 issued by SEBI.
- 1.16. 'Stock Exchanges'** shall mean BSE Limited, where the equity shares of the Transferee Company are currently listed.

## 2. DATE OF EFFECT AND OPERATIVE DATE:

The Scheme set out herein in its present form or with any modification(s), if any made as per Clause 3 of PART-IV of this Scheme shall be effective from the Appointed Date but shall come into effect from Effective Date.

## 3. CAPITAL STRUCTURE :

The Capital Structure of the Transferee Company and the Transferor Company, as on 31<sup>ST</sup> March, 2018 immediately before implementation of the Scheme are as under:

### 3.1 SAHYOG MULTIBASE LIMITED

PARTICULARS	AMOUNT (Rs.)
<b>Authorized Share Capital</b>	
87,00,000 Equity Shares of Rs. 10 Each	8,70,00,000.00

<b>Issued, Subscribed and Paid up Share Capital</b>	
79,76,072 Equity Shares of Rs. 10 Each	7,97,60,720.00

### 3.2 BEST AGROCHEM PRIVATE LIMITED

PARTICULARS	AMOUNT (Rs.)
<b>Authorized Share Capital</b>	
1,00,00,000 Equity Shares of Rs. 10 Each	10,00,00,000.00
<b>Issued Capital</b>	
72,37,140 Equity Shares of Rs. 10 Each	<b>72,371,400.00</b>
<b>Subscribed and Fully Paid up Capital</b>	
42,37,140 Equity Shares of Rs. 10 Each	<b>42,371,400.00</b>
<b>Subscribed but not Fully Paid up Capital</b>	
3,000,000 Equity Shares of Rs. 10 Each	<b>30,000,000.00</b>
<b>Called up Share Capital</b>	
42,37,140 Equity Shares of Rs. 10 Each	42,371,400.00
3,000,000 Equity Shares of (Rs 7.50 Called Up)	22,500,000.00
<b>Total Called up Share Capital</b>	<b>64,871,400.00</b>
<b>Less Calls in arrears</b>	
<b>Calls unpaid by others</b>	<b>3,750,000.00</b>
<b>Total Paid Up Share Capital</b>	<b>61,121,400.00</b>

However, pursuant to approval of Board of Directors of the Company dated 28<sup>th</sup> November, 2018 the Company has forfeited 15,00,000 partly paid up equity shares of defaulting shareholder after serving proper notices.

The capital structure of the Transferor Company after the forfeiture of shares on 28<sup>th</sup> November, 2018 is mentioned below:

PARTICULARS	AMOUNT (Rs.)
<b>Authorized Share Capital</b>	
1,00,00,000 Equity Shares of Rs. 10 Each	10,00,00,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
57,37,140 Equity Shares of Rs. 10 Each	5,73,71,400.00

## PART-II

### TRANSFER & VESTING OF UNDERTAKING

1. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and the whole of the undertaking(s), properties and liabilities of Transferor Company shall, in terms of Section 230 and 232 and applicable provisions, if any, of the Companies Act, 2013 and pursuant to the orders of the Hon'ble NCLT or any other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, stand transferred and vested in and/ or deemed to be transferred to and vested in Transferee Company as a going concern so as to become, as and from the Appointed Date, the undertaking(s), properties and liabilities of Transferee Company by virtue of and in the manner provided in this Scheme.
2. With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and undertaking of Transferor Company shall stand transferred to and be vested in Transferee Company without any further deed or act, together with all their properties, assets, rights, benefits and interest therein, subject to existing charges thereon in favour of banks and financial institutions, as the case may be, in the following manner:

#### 3. TRANSFER OF ASSETS

Upon the sanction of the Scheme by the Hon'ble NCLT, and without prejudice to the generality of the preceding clause, upon the coming into effect of the Scheme and with effect from the Appointed Date:

- 3.1. All immovable properties, assets and rights in the immovable properties of the Transferor Company, whether freehold or leasehold or converted or otherwise and in terms of such permitted usage as mentioned therein and all documents of title, rights and easements in relation thereto shall pursuant to the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Hon'ble NCLT or any other appropriate authority sanctioning the Scheme and without any further act or deed shall stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company, as a going concern, subject to all the encumbrances, fixed and/or floating charges and/or rights given to the lenders of the other divisions of Transferor Company, if any, affecting the same or any part hereof and arising out of liabilities which shall also stand transferred to the Transferee Company. The Transferee Company shall be entitled to and exercise all rights and privileges attached thereto and shall be liable to pay ground rent, taxes and to fulfill obligations in relation to or applicable to such immovable properties. The Transferee Company shall under the provisions of Scheme be deemed to be authorized to execute such instruments, deeds and writing on behalf of the Transferor Company to implement or carry out all such formalities or compliances to give effect to the provisions of this Scheme. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of the Transferee Company. Any inchoate title or possessory title of the Transferor Company shall be deemed to be the title of the Transferee Company.

- 3.2. In respect of all the movable assets of the Transferor Company and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including,

but not limited to, stock of goods, raw materials available in the market/ depots/ Godown / factories, sundry debtors, plants and equipment's, temporary structure, sheds which can be dismantled and transferred by delivery, outstanding loans and advances, insurance claims, advance tax, Minimum Alternate Tax (MAT), Goods and Service Tax (GST), set-off rights, pre-paid taxes, levies/liabilities, CENVAT/VAT credits or refunds, if any, recoverable in cash or in kind or for value to be received, bank balances, earnest money and deposits, if any, with Government, Semi-Government, quasi – government or other authority or body or with any company or local and other persons or any other assets otherwise capable of transfer by physical delivery would get transferred by physical delivery only and all others assets would get transferred by endorsement and delivery by vesting and recordable pursuant to this Scheme, shall stand vested in Transferee Company, and shall become the assets and an integral part of Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

- 3.3. Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme on the Appointed Date, all consents, permissions, licenses, approvals, certificates, clearances and authorities including the licenses required for production and distribution of products of the Transferor Company in India and overseas market, and any other licenses, given by, issued to or executed in favour of the Transferor Company in relation to the business as on the Appointed Date, shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the rights and benefits under the same shall be available to the Transferee Company. Any registration fees, charges, etc paid by the Transferor Company in relation to the aforementioned consents, permissions, licenses, approvals, certificates, clearances and authorities, shall deemed to have been paid by the Transferee Company.
- 3.4. With effect from the Appointed Date, Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, taxes and fulfill obligations, in relation to or applicable to such immovable properties. The mutation/substitution of the title to the immovable properties shall be made and duly recorded in the name of Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the Hon'ble NCLT and the Scheme becoming effective in accordance with the terms hereof.
- 3.5. With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to Transferor Company to which the Transferor Company is the party or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favor of Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.
- 3.6. With effect from the appointed date and upon the Scheme becoming effective, all permits, quotas, rights, entitlements, licenses including those relating to trademarks, tenancies, patents, copyrights, privileges, software, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Company to which Transferor Company is the party or to the benefit of which Transferor Company may be eligible and which are subsisting or having effect immediately before the effective date, shall be enforceable as fully and

effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.

3.7. With effect from the Appointed Date and upon the Scheme becoming effective, **any statutory licenses, no-objection certificates, permissions or approvals or consents required to carry on operations of Transferor Company or granted to Transferor Company shall stand vested in or transferred to Transferee Company without further act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned therewith in favor of Transferee Company upon the vesting of Transferor Company Businesses and Undertakings pursuant to this Scheme. The benefit of all statutory and regulatory permissions, licenses, approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of Transferor Company shall vest in and become available to Transferee Company pursuant to this scheme.**

3.8. With effect from the Appointed Date and upon the Scheme becoming effective, all motor vehicles of any description whatsoever of Transferor Company shall stand transferred to and be vested in the Transferee Company, and the appropriate Governmental and Registration Authorities shall substitute the name of Transferee Company in place of Transferor Company, without any further instrument, deed or act or any further payment of fee, charge or securities.

#### 4. TRANSFER OF LIABILITIES

4.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all liabilities of Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), shall, pursuant to the sanction of this Scheme by the Hon'ble NCLT and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

4.2. All amounts due to Government of India and other authorities and all Bank related liabilities of the Transferor Company and comprising principle outstanding against loans, term loans, cash credit facilities, guarantees, non - fund based limits, buyers credit, etc and including all interest, charges, fee, penal/ compound interest etc. on such outstanding as on Appointed Date, will become the liabilities of Transferee Company and shall be at same footing as the liabilities towards the Banks of Transferee Company.



4.3. The transfer and vesting of the entire business and undertaking of Transferor Company as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of Transferor Company, as the case may be.

Provided that the securities, charges and mortgages (if any subsisting) over and in respect of the part thereof, of Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of Transferor Company vested in Transferee Company pursuant to the Scheme.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by Transferor Company which shall vest in Transferee Company by virtue of the amalgamation of Transferor Company with Transferee Company and Transferee Company shall not be obliged to create any further or additional security there for after the amalgamation has become operative.

4.4. All other debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date, whether or not provided in the books of the Transferor Company, and 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.

4.5. Where any such debts, loans raised, liabilities, duties and obligations (including contingent liabilities) of the Transferor Company as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

4.6. **Loans or other obligations, if any, due between Transferee Company and Transferor Company shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by Transferor Company and held by Transferee Company and vice versa are concerned, the same shall, unless sold or transferred by holder of such securities, at any time prior to the Effective Date, stand cancelled and shall have no further effect.**

4.7. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company in the ordinary course of its business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

## **5. LEGAL PROCEEDINGS**

5.1. With effect from the Appointed Date and upon the Scheme becoming effective, Transferee Company shall bear the burden and the benefits of any legal or other proceedings including direct and indirect tax assessments, if any, initiated by or against Transferor Company.

Provided however, all legal, administrative and other proceedings of whatsoever nature by or against Transferor Company pending in any court or before any authority, judicial, quasi judicial or administrative, any adjudicating authority and/or arising after the Appointed Date and relating to Transferor Company or its respective properties, assets, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against Transferor Company; and from the Effective Date, shall be continued and enforced by or against Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company.

5.2. If any suit, appeal or other proceedings of whatever nature by or against Transferor Company be pending, the same shall not abate, be discontinued or be in any way be prejudicially affected by reason of the transfer of the Transferor Company business and undertakings or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against Transferor Company as if this Scheme had not been made.

## **6. STAFF, WORKMEN AND EMPLOYEES**

With effect from the Appointed Date and upon the scheme becoming effective, all persons that were employed by Transferor Company immediately before such date shall become employees of Transferee Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Transferor Company immediately prior to such transfer and without any break or interruption of service. Transferee Company undertakes to continue to abide by agreement/settlement, if any, entered into by Transferor Company with any union/employee thereof. With regard to Provident Fund, Gratuity Fund, Superannuation fund or any other special fund or obligation created or existing for the benefit of such employees of Transferor Company upon occurrence of the Effective Date, Transferee Company shall stand substituted for Transferor Company, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing Provident Fund, Gratuity Fund and Superannuation Fund or obligations, if any, created by Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions. With effect from the Effective Date, Transferee Company will make the necessary contributions for such transferred employees of Transferor Company and deposit the same in Provident Fund, Gratuity Fund or Superannuation Fund or obligations, where applicable. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of Transferor Company in relation to such schemes or funds shall become those of Transferee Company.

## **7. CONTRACTS, DEEDS, ETC**

- 7.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature whether pertaining to immovable properties or otherwise to which the Transferor Company is a party or to the benefit of which Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favor of, as the case may be, Transferee Company and may be enforced as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto or there under.
- 7.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of Transferor Company shall stand transferred to Transferee Company, as if the same were originally given by, issued to or executed in favour of Transferee Company, and 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 Transferee Company. The Transferee Company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.
- 7.3. It is herein clarified that, the Transferee Company will, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangements in relation to Transferor Company to which Transferor Company is party, in order to give formal effect to the above provisions. Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Company and to carry out or perform all such formalities or compliances referred to above on part of Transferor Company.

## **8. TAXES AND OTHER MATTERS**

- 8.1. All taxes (including, without limitation, income tax, wealth tax, entry tax, sales tax, excise duty, custom duty, service tax, Goods and Service Tax (GST), VAT, etc. referred as 'Tax laws') paid or payable by the Transferor Company in respect of the operations, assets and / or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payments (including, without limitation, Income Tax, Minimum Alternate Tax (MAT), Dividend Distribution Tax, Wealth Tax, Sales Tax, Excise Duty, Custom Duty, Service Tax, Goods and Service Tax (GST), VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall in all proceedings, be dealt with accordingly.
- 8.2. Any refund under the Tax Laws due to the Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as

on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company. The Transferee Company is expressly permitted to revise and expressly permitted to file income tax returns, sales tax/ value added tax returns, excise duty, service tax returns and other tax returns, and to claim refunds/ credits pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits including but not limited to MAT paid under section 115JA/ 115JB of the Income Tax Act, 1961 and the right to claim credit therefore in accordance with the provisions of Section 115JAA of the Income Tax Act, 1961. The Transferee Company shall continue to enjoy the tax benefits/ concessions provided to the Transferor Company through Notifications/ Circulars issued by the concerned authorities.

8.3. All taxes of any nature, duties, cesses or any other like payment or deductions made by Transferor Company to any statutory authorities such as Income Tax, Sales tax, VAT, service tax, Goods and Service Tax (GST) etc. or any tax deduction / collection at source, tax credits under Tax laws, relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the Hon'ble NCLT upon relevant proof and documents being provided to the said authorities.

8.4. The income tax, if any, paid by Transferor Company on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of Transferee Company. Further, Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by Transferor Company for any year, if so necessitated or consequent to this Scheme notwithstanding that the time prescribed for such revision may have elapsed.

8.5. From the Effective Date and till such time as the name of the Transferee Company would get entered as the account holder in respect of all the bank accounts and demat accounts of Transferor Company in the relevant bank's/DP's books and records, the Transferor Company shall be entitled to operate the bank/demat accounts of Transferee Company in the existing names.

8.6. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of Transferor Company shall stand transferred by the order of the NCLT to Transferee Company, Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning court.

## **9. Conduct of Business**

With effect from the Appointed Date and till the Scheme come into effect:

9.1. Transferor Company shall be deemed to carry on all its businesses and activities and stand possessed of its properties and assets for and on account of and in trust for Transferee Company; and all the profits accruing to Transferor Company and all taxes thereon or gains or losses arising or incurred by them shall, for all purposes, be treated as and deemed to be the profits or losses, as the case may be, of Transferee Company;

- 9.2. Transferor Company shall carry on its business with reasonable diligence and in the same manner as they had been doing hitherto, and Transferor Company shall not alter or substantially expand its business except with the concurrence of Transferee Company;
  - 9.3. Transferor Company shall not, without the written concurrence of Transferee Company, alienate charge or encumber any of its properties except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company, as the case may be.
  - 9.4. Transferor Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of Transferee Company.
  - 9.5. With effect from the Appointed Date, all debts, liabilities, duties and obligations of Transferor Company as on the close of business on the date preceding the Appointed Date, whether or not provided in its books and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of Transferee Company.
  - 9.6. Upon the Scheme coming into effect, Transferee Company shall commence and carry on and shall be authorized to carry on the business carried on by Transferor Company.
10. For the purpose of giving effect to the vesting order passed under Sections 230 and 232 of the Act in respect of this Scheme by the Hon'ble NCLT, Transferee Company shall, at any time pursuant to the order on this Scheme, be entitled to get the record all of the change in the legal right(s) upon the vesting of the Transferor Company business and undertakings in accordance with the provisions of Sections 230 and 232 of the Act. Transferee Company shall be authorized to execute any pleadings; applications, forms, etc. as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

## PART- III

### REORGANIZATION OF CAPITAL

#### 1. REORGANISATION OF CAPITAL IN THE TRANSFEREE COMPANY

##### 1.1. Issue of Shares in the Share Capital of Transferee Company;

Upon coming into effect of the Scheme and in consideration for the amalgamation of Transferor Company with the Transferee Company, the Transferee Company shall, without any further application or deed, issue and allot shares of face value of Rs. 10 each to the members of Transferor Companies whose name appear in the Register of Members as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, in the following manner:

*Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholders of "Transferor Company" shares in proportion of **245 (Two Hundred Forty Five) Equity shares of face value of Rs.10.00 (Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs.10/- (Rupee Ten) each held by them in "Transferor Company "** pursuant to this Scheme of Amalgamation.*

- 1.2. For arriving at the share exchange ratio as outlined above, the Companies have considered the Valuation Report submitted by an independent professional firm, **M/s Jagdish Chand & Associates, Chartered Accountants.**
- 1.3. Cross holding at the time of record date (if any), between Transferor Company and the Transferee Company, if not transferred prior to the Effective Date, shall get cancelled at the time of allotment of shares to the shareholders of Transferor Company by Transferee Company and the approval of Scheme by the NCLT under Section 230 and 232 of the Companies Act, 2013 and shall also be treated as approval under Section 66 of the Companies Act, 2013 for reduction of capital pursuant to such cancellations.
- 1.4. In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors or any committee thereof of the Transferor Company shall be empowered in appropriate cases, even subsequent to the Effective Date, as the case may be, to effectuate such a transfer in the Transferor Company as if such changes in registered holder were operative as on the Specified Date, in order to remove any difficulties arising to the Transferee Company of such shares.
- 1.5. Any fraction arising out of allotment of shares as per clause 1.1 above shall be rounded off to the nearest round number.
- 1.6. The said equity shares in the capital of Transferee Company be issued to the shareholders of Transferor Company shall rank pari passu in all respects, with the existing equity shares in Transferee Company from the Appointed Date. Such shares in Transferee Company, to be issued to the shareholders of Transferor Company will, for all purposes, save as expressly provided otherwise, be deemed to have been held by each such member from the Appointed Date.

1.7. Upon the Scheme becoming effective and subject to the above provisions, the shareholders of Transferor Company (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company) as on the record date shall receive the shares in their respective Demat accounts or in case there is any specific request from any of the shareholders of the Transferor Company, then such shareholders shall be issued new share certificates. Upon the issue and allotment of new shares in the capital of Transferee Company to the shareholders of Transferor Company, the share certificates in relation to the shares held by them in Transferor Company shall be deemed to have been cancelled. All certificates for the new shares, if any issued, in the capital of Transferee Company shall be sent by Transferee Company to the said shareholders of Transferor Company at their respective registered addresses as appearing in the said registers (or in the case of joint holders to the address of that one of the joint holders whose name stands first in such Registers in respect of such joint holding) and Transferee Company shall not be responsible for any loss in transit.

1.8. Approval of this Scheme by the shareholders of Transferee Company shall be deemed to be the due compliance of the provisions of Section 62 of the Companies Act, 2013 for the issue and allotment of shares by Transferee Company to the shareholders of Transferor Company, as provided in this Scheme.

#### 1.9. INCREASE IN AUTHORIZED SHARE CAPITAL

1.9.1. With effect from the Effective Date and upon the Scheme becoming effective, without any further acts or deeds on the part of the Transferor Company or Transferee Company and notwithstanding anything contained in Section 61 of Companies Act, 2013 the Authorized Share capital of Transferor Company as appearing in its Memorandum of Association on the Effective Date shall get clubbed with the Authorized Share Capital of the Transferee Company as appearing in its Memorandum of Association on the Effective Date and pursuant to this clubbing the Clause V of the Memorandum of Association of the Transferee Company shall stand altered to give effect to the same with effect from the Effective Date. The Face Value of Equity share shall remain same as of the Transferee Company after clubbing of Authorized Capital.

**1.9.2. Further, in terms of section 232(3)(i) of the Act, upon coming into effect, the fee and duty paid on the Authorized Equity Share Capital of Transferor Company shall be set off against the fee payable on Authorized Share Capital of Transferee Company, without any further act or deed.**

1.9.3. The filing fee and stamp duty already paid by the Transferor Company on its authorized share capital, which is being combined with the authorized share capital of the Transferee Company, shall be deemed to have been paid by the Transferee Company and accordingly, the Transferee Company shall not be required to pay any fee, additional fee, charges and/or stamp duty on the authorized share capital so increased.

**1.9.4. If required, the Transferee Company shall take necessary steps to increase its authorized share capital on or before the Effective Date so as to make it sufficient for allotment of shares, to the shareholders of Transferor Company, in consideration of**

**amalgamation after considering the combined authorized share capital of Transferee Company.**

1.9.5. It is hereby clarified that the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 61 of the Companies Act, 2013 would be required to be separately passed.

1.10. On approval of the Scheme by the members of Transferee Company pursuant to Section 230-232 of the Companies Act, 2013, it shall be deemed that the said members have also accorded their consent under relevant Articles of the Articles of Association of the Company and Section 61 and Section 64 of the companies Act, 2013 as may be applicable for giving effect to the provisions contained in this Scheme.

1.10.1. The issue and allotment of shares to Shareholders of Transferor Company, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under Section 62 of the Companies Act, 2013.

**2. ALTERATION OF MAIN OBJECT OF TRANSFEREE COMPANY**

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Company with the Transferee Company, the main object of Transferor Company shall be added with the main object of the Transferee Company and the approval of this Scheme by the shareholders of Transferee Company shall be deemed to be the due compliance of the provisions of Section 13 of the Companies Act, 2013 for alteration of main object of the Transferee Company.

**3. ACCOUNTING TREATMENT FOR AMALGAMATION**

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for as per the Purchase Method of Accounting prescribed in "Indian Accounting Standard (Ind AS) 103 for Business Combination" prescribed under Section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time.

**4. LISTING AGREEMENT AND SEBI COMPLIANCES**

4.1. Since the Transferee Company being a listed company, this Scheme is subject to the Compliances by the Transferee Company of all the requirements under the listing regulations and all statutory directives of the Securities Exchange Board of India ('SEBI') in so far as they relate to sanction and implementation of the Scheme.

4.2. The Transferee Company in compliance with the listing Regulations shall apply for the in-principle approval of Stock Exchange (s), where its shares are listed in terms of the Regulation 37 of the listing regulations.

4.3. The Transferee Company shall also comply with the directives of SEBI contained in the Circular No. CFD/DIL3/CIR/2017/21 dated 10<sup>th</sup> March, 2017 ('Circular');

4.4. As Para 9 of SEBI Circular No CFD/DIL3/CIR/2017/21 dated March 10th, 2017 ('Circular') is applicable to this Scheme, therefore it is provided in the Scheme that the Transferee Company will provide voting by the public shareholders through e-voting and will disclose all material



facts in the explanatory statement, to be sent to the shareholders in relation to the said Resolution.

**5. Saving of Concluded Transactions**

The transfer of properties and liabilities and the continuance of proceedings by or against Transferor Company as envisaged in above shall not affect any transaction or proceedings already concluded by Transferee Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Transferor Company accept and adopts all acts, deeds and things done and executed by Transferee Company in respect thereto as done and executed by Transferee Company in respect thereto as done and executed on behalf of itself.

**6. Dissolution of Transferor Company**

On occurrence of the Effective Date, Transferor Company shall, without any further act or deed, shall stand dissolved without winding up.

## PART - IV

### OTHER PROVISIONS

#### 1. Application/Petition to National Company Law Tribunal (NCLT):

- 1.1. Transferor Company and Transferee Company shall, with all reasonable dispatch, make application/petition to the Hon'ble NCLT, under Section 230 and other applicable provisions of the Companies Act, 2013 seeking orders for dispensing with or convening, holding and conducting of the meetings of the classes of its respective members and/or creditors and for sanctioning the Scheme with such modifications as may be approved by the Hon'ble NCLT.
- 1.2. On the Scheme being agreed to by the requisite majorities of all the classes of the members and/or creditors of Transferor Company and Transferee Company shall, with all reasonable dispatch, apply to the Hon'ble NCLT, for sanctioning the Scheme under Sections 230 -232 and other applicable provisions of the Companies Act, 2013, and for such other orders, as the said NCLT may deem fit for carrying this Scheme into effect and for dissolution of Transferor Company without winding-up.

#### 2. Conditionality of Scheme:

The Scheme is conditional upon and subject to:

- 2.1. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the Members and / or Creditors of the Transferor Company and Transferee Company as may be directed by the Court or any other competent authority, as may be applicable.
- 2.2. As Para 9 of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10th, 2017 is applicable to this Scheme, therefore it is provided in the Scheme that the Transferee Company will provide voting by the public shareholders through e-voting and will disclose all material facts in the explanatory statement, to be sent to the shareholders in relation to the said Resolution
- 2.3. **As Para 9 of SEBI CFD/DIL3/CIR/2017/21 dated March 10th, 2017 is applicable to this Scheme, the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders against it.**
- 2.4. The Scheme being sanctioned by the NCLT or any other authority under Sections 230 to 232 of the Companies Act, 2013 and to the necessary Order under Section 230 to 232 of the Companies Act, 2013 being obtained.
- 2.5. Certified copies of the Orders of the Court sanctioning the Scheme being filed with the respective Registrar of Companies by the Transferor Company and Transferee Company;
- 2.6. The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

#### 3. Modification or Amendment

- 3.1. Transferee Company (acting through its Board of Directors) and Transferor Company (acting through its respective Board of Directors) may assent to any modifications or amendments to this Scheme which the NCLT and/or other authorities may deem fit to

direct or impose or which may otherwise be considered necessary or desirable for any question or doubt or difficulty that may arise for implementing and/or carrying out the scheme or which is generally in the benefit or interest of the shareholders and/or creditors. Transferee Company (acting through its Board of Directors) and Transferor Company (each acting through its respective Board of Directors) and after the dissolution of the Transferor Company; Transferee Company (by its Board of directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any order(s) of the NCLT or of any directive or order(s) of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

3.2. Transferor Company and Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the Hon'ble NCLT or any other authority is not on terms acceptable to them.

3.3. In the event of this Scheme failing to take effect finally this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or its shareholders or creditors or employees or any other person. In such case each Company shall bear its own costs or as may be mutually agreed.

#### **4. General Terms and Conditions**

**All costs, charges, fees, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto shall be borne and paid by Transferor Company.** After the implementation of the scheme all such costs, charges, fees, taxes, stamp duty including duties (excluding the stamp duty, if any, paid on this scheme which shall be pro rata added to the value of the immovable properties), levies and all other expenses, shall be debited to the Profit and Loss Account of Transferee Company.

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# **VALUATION ANALYSIS**

**FOR DETERMINATION OF SHARE EXCHANGE RATIO**

**PURSUANT TO SCHEME OF ARRANGEMENT**

**BETWEEN**

**BEST AGROCHEMPRIVATE LIMITED**

**("TRANSFEROR COMPANY")**

**AND**

**SAHYOG MULTIBASE LIMITED**

**(FORMERLY KNOWN AS SAHYOG CREDITS LIMITED)**

**("TRANSFeree COMPANY")**

**PREPARED BY:-**

**M/s SANJEEV JAGDISH CHAND & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**Address: B - 307, Manav Appartment**

**Sector - 9, Rohini , New Delhi-110085**

**Email: [office@casgr.com](mailto:office@casgr.com)**

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## SECTION – IPURPOSE OF VALUATION, SCOPE & LIMITATIONS

### PURPOSE OF VALUATION

Valuation of M/s Best Agrochem Private Limited (hereby referred to as "BAPL") and M/s Sahyog Multibase Limited (hereby referred to as "SML") (hereby collectively referred to as "Companies") and suggest a share exchange ratio for the purpose of the proposed amalgamation of M/s Best Agrochem Private Limited ("Transferor Company") into M/s Sahyog Multibase Limited (formerly known as Sahyog Credits Limited) ("Transferee Company") and provide a recommendation of Share Exchange Ratio pursuant to a proposed Scheme of Arrangement.

The Appointed Date for this amalgamation has been kept as 1<sup>st</sup> April, 2018.

### IDENTITY OF VALUER

Management of 'BAPL' and 'SML' have appointed M/s SANJEEV JAGDISH CHAND & ASSOCIATES, CHARTERED ACCOUNTANTS to independently analyse and undertake the valuation of the Companies.

### BACKGROUND INFORMATION OF THE ASSET BEING VALUED

Valuation of equity shares of M/s Best Agrochem Private Limited and M/s Sahyog Multibase Limited pursuant to a proposed scheme of arrangement.

It is pertinent to mention that valuation of shares is not an exact science and ultimately depends upon a number of factors including purpose of valuation, stage of business, and % of shares to be valued.

### SCOPE OF WORK

- **Valuation Date:** November 30, 2018
- **Date of Report:** December 25, 2018
- **Base of value:** Fair Value
- **Valuation Currency:** INR

### VALUATION STANDARDS FOLLOWED

We have performed this valuation in accordance with the International Valuation Standards and customary valuation practices.





**NATURE AND SOURCES OF INFORMATION USED OR RELIED UPON**

- To arrive at share exchange ratio under the said 'Proposed Scheme of Arrangement'; we have relied upon Management certified Balance Sheet of M/s Best Agrochem Private Limited as on November 30, 2018 and Profit & Loss Account for the Trailing Twelve months period ended November 30, 2018. Since the company M/s Sahyog Multibase Limited is a listed Company therefore we have relied upon the latest financials available in public domain as on September 30, 2018.
- SML holds minority shareholding in M/s Bhurgi Super Tek Industries Limited, M/s Pride Buildtech Private Limited, M/s Tavares Tradelinks Private Limited and M/s Industries Asia Private Limited. The fair value of unquoted shares of such companies has not been determined separately accordingly, it is equal to the Book value as on 30<sup>th</sup> September, 2018 as represented by the management, since there is no material change involved.
- Draft Scheme of Arrangement as provided by the management.

**CAVEATS, LIMITATIONS AND DISCLAIMERS**

The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted herein, which might be relevant in the context of the transaction and which a wider scope might uncover.



## SECTION – II Companies Assessment

1. 'SAHYOG MULTIBASE LIMITED (herein after referred to as "SML" or "Transferee Company") bearing CIN L74110DL1992PLC116773, was originally incorporated on 10th January 1992 under the provisions of Companies Act, 1956 with the name and style of Sahyog Credits Limited thereafter, the name was changed to Sahyog Multibase Limited and fresh certificate of incorporation has been issued on 21st October, 2016 by Registrar of Companies –Delhi. Transferee Company is listed on BSE Limited.

**Extract of Limited Reviewed Balance Sheet of Sahyog MultiBase Limited as on 30<sup>th</sup> September, 2018**

Particulars	Amount in INR Million
Total Shareholder's Fund	510.1
Non-Current Liabilities	83.3
Current-Liabilities	219.9
<b>Total Equity and Liabilities</b>	<b>813.3</b>
<b>ASSETS</b>	
Fixed Assets	2.3
Other Non-Current Assets	36.9
Current Assets	774.1
<b>Total Assets</b>	<b>813.3</b>

**Extract of Limited Reviewed Profit & Loss Statement of Sahyog MultiBase Limited for the Trailing Twelve months (TTM) ended on 30<sup>th</sup> September, 2018**

Particulars	Amount in INR Million
Revenue from Operation	790.6
Other Income	69.9
<b>Total Income</b>	<b>860.5</b>
Total Operating Expenses	892.8
<b>EBITDA</b>	<b>(32.3)</b>
Depreciation	0.8
<b>EBIT</b>	<b>(33.1)</b>
Interest	10.5
<b>PBT</b>	<b>(43.6)</b>





The Capital Structure of Sahyog MultiBase Limited as on 31<sup>st</sup> March, 2018 are as follow:

PARTICULARS	AMOUNT (INR Mn)
<b>Authorized Share Capital</b>	
8,700,000 Equity Shares of Rs. 10 Each	87.00
<b>Issued, Subscribed and Paid up Share Capital</b>	79.76
7,976,072 Equity Shares of Rs. 10 Each	

There is no change in the capital structure of SML as on 30 September, 2018.

2. **BEST AGROCHEM PRIVATE LIMITED** (herein after referred to as "BAPL" or "Transferor Company"), bearing CIN U24100DL2007PTC171008 was incorporated on 3rd December, 2007 under the provisions of Companies Act, 1956. The registered office of the Company is situated at S-1A Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi - 110026.

Extract of Management Certified Balance Sheet Best Agrochem Private Limited as on 30<sup>th</sup> November, 2018

Particulars	Amount in INR Million
<b>SOURCES OF FUNDS</b>	
Share Capital	57.37
Reserve and surplus	216.48
Non-Current Liabilities	153.63
Current Liabilities	2,231.66
<b>Total – Equity and Liabilities</b>	<b>2,659.14</b>
<b>ASSETS</b>	
Non-Current Assets	54.04
Current Assets	2,605.10
<b>Total - Assets</b>	<b>2,659.14</b>



**Extract of Management Certified Profit & Loss Statement of Best Agrochem Private Limited for the Trailing Twelve months (TTM) ended on 30<sup>th</sup> November, 2018**

Particulars	Amount in INR Million
Revenue	5,458.90
Other Income	6.49
<b>Total Income</b>	<b>5,465.39</b>
<b>Total Expenses</b>	<b>5,379.46</b>
<b>Profit Before Tax</b>	<b>86.03</b>
Tax expense	0.11
<b>Profit for the period after Tax</b>	<b>85.92</b>

The Capital Structure of Best Agrochem Private Limited as on 31<sup>st</sup> March, 2018 are as follow:

Particulars	Amount (INR Million)
<b>Authorized Share Capital</b>	
10,000,000 Equity Shares of Rs. 10 Each	100.00
<b>Issued Capital</b>	
7,237,140 Equity Shares of Rs. 10 Each	72.37
<b>Subscribed and Fully Paid up Capital</b>	
4,237,140 Equity Shares of Rs. 10 Each	42.37
<b>Subscribed but not Fully Paid up Capital</b>	
3,000,000 Equity Shares of Rs. 10 Each	30.00
<b>Called up Share Capital</b>	
4,237,140 Equity Shares of Rs. 10 Each	42.37
3,000,000 Equity Shares of (Rs 7.50 Called Up)	22.50
<b>Total Called up Share Capital</b>	<b>64.87</b>
<b>Less Calls in arrears</b>	
Calls unpaid by others	<b>3.75</b>
<b>Total Paid Up Share Capital</b>	<b>61.12</b>

However, pursuant to approval of Board of Directors of the Company dated 28<sup>th</sup> November, 2018 the Company has forfeited 1,500,000 partly paid up equity shares of Siddh Coal Transport Private Limited on which total Rs. 20,250,000/- at the rate of Rs. 5/- per share towards equity capital and Rs. 8.5/- per shares as premium per share remains unpaid on



account of 1<sup>st</sup> call and 2<sup>nd</sup> call due thereon after due notice of which had been served upon the defaulting shareholders.

The capital structure of the Transferor Company after the forfeiture of shares on 30<sup>th</sup> November, 2018 is mentioned below:

Particulars	Amount (INR Million)
<b>Authorized Share Capital</b>	
10,000,000 Equity Shares of Rs. 10 Each	10.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
5,737,140 Equity Shares of Rs. 10 Each	5.74





### SECTION III - METHODS OF VALUATION ADOPTED

In case of a merger valuation, the emphasis is on arriving at the "relative" values of the shares of the merging companies to facilitate determination of the "share exchange ratio". Hence, the purpose is not to arrive at absolute values of the shares of the companies.

#### Judicial Pronouncements:-

**Hindustan lever Employees' Union v/s Hindustan lever Limited and others (1995) 83 Company cases 30 (SC)**

The jurisdiction of the Court in sanctioning a claim of merger is not to ascertain mathematical accuracy if the determination satisfied the arithmetical test. A company court does not exercise an appellate jurisdiction. It exercises a jurisdiction founded on fairness. It is not required to interfere only because the figure arrived at by the valuer was not as good as it would have been if another method had been adopted. What is imperative is that such determination should not have been contrary to law and that it was not unfair for the shareholders of the company which was being merged.

The Hon'ble Supreme Court held "We do not think that the internal management, business activity or institutional operation of public bodies can be subjected to inspection by the court. To do so, is incompetent and improper and, therefore, out of bounds."

The dominance of profits for valuation of share was emphasised in "McCathies case" (Taxation, 69 CLR 1) where it was said that "the real value of shares in a company will depend more on the profits which the company *has been making and should be capable of making*, having regard to the nature of its business, than upon the amount which the shares would realize on liquidation". This was also reiterated by the Indian Courts in Commissioner of Wealth Tax v. MahadeoJalan's case (S.C.) (86 ITR 621) and Additional Commissioner of Gift Tax v. Kusumben D. Mahadevia (S.C.) (122 ITR 38).

In the ultimate analysis, valuation will have to involve the exercise of judicious discretion and judgment taking into account all the relevant factors. There will always be several factors, e.g. Present and prospective competition, yield on comparable securities, and market sentiments etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share.



Based on the facts of the case, we have applied Net Asset Valuation (NAV) Methodology and Comparable Companies Multiple (CCM) Methodology in both SML and BAPL. Since the company SML is an infrequently traded listed company so we have not applied Income approach and on relative basis we have also not applied Income approach in BAPL.

## SECTION – IV Valuation Analysis

### 1. NET ASSET VALUE METHOD:-

Asset based method (NAV) views the business as a set of assets and liabilities that are used as building blocks to construct the value of the company.

#### M/S SAHYOG MULTIBASE LIMITED

Sahyog Multibase Limited (herein after referred to as “SML” or “Transferee Company”) bearing CIN L74110DL1992PLC116773, was originally incorporated on 10th January 1992 under the provisions of Companies Act, 1956 with the name and style of Sahyog Credits Limited thereafter, the name was changed to Sahyog Multibase Limited and fresh certificate of incorporation has been issued on 21st October, 2016 by Registrar of Companies –Delhi. After looking into the business model, we have carried the Valuation as per Net Asset Valuation Methodology.

Sahyog Multibase Ltd	
Net Asset Value as on 30.09.2018	
Particulars	Amount in INR Million
Share Capital	79.76
Reserves and Surplus	427.62
Add: Fair Value of Investment#	59.99
<b>Net Asset Value</b>	<b>567.37</b>
No of Shares	7,976,072
<b>Value Per Share (INR)</b>	<b>71.13</b>

#### # Notes:

- SML holds minority shareholding in M/s Bhurgi Super Tek Industries Limited, M/s Pride Buildtech Private Limited, M/s Tavares Tradelinks Private Limited and M/s Industries Asia Private Limited. Accordingly, the fair value of unquoted shares such companies has been considered equal to the Book value as on 30<sup>th</sup> September, 2018 as represented by the management since there is no material change involved.
- The company also holds investments in equity shares of Vikas Ecotech and Rushil Décor where the market price on November 30, 2018 is considered as fair value of such shares.
- The shares of Vikas Multicorp Limited in which SML holds investments is valued at INR 1.99 per share as per the Valuation Report issued by us on 29<sup>th</sup> May, 2017.





**M/S BEST AGROCHEM PRIVATE LIMITED**

Best Agrochem Private Limited (herein after referred to as "BAPL" or "Transferor Company"), bearing CIN U24100DL2007PTC171008 was incorporated on 3<sup>rd</sup> December, 2007 under the provisions of Companies Act, 1956. The registered office of the Company is situated at S-1A Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi - 110026. After looking into the business model, we have carried the Valuation as per Net Asset Valuation Methodology.

<b>BEST AGROCHEM PVT. LTD.</b>	
<b>Net Asset Value as on 30.11.2018</b>	
Particulars	Amount in INR Million
Share Capital	57.37
Reserves and Surplus	216.48
Add: Amount of unpaid calls as on 30.11.2018	-
<b>Net Asset Value</b>	<b>273.85</b>
No. of Equity Shares as on 30.11.2018	5,737,140
<b>Value Per Share (INR)</b>	<b>47.73</b>

**2. COMPARABLE COMPANIES MULTIPLE METHOD:-**

Comparable Companies Multiples Method uses the valuation ratios of a publicly traded company and applies that ratio to the company being valued (after applying appropriate discount). The valuation ratio typically expresses the valuation as a function of a measure of financial performance or Book Value (e.g. Turnover, EBITDA, EBIT, EPS or Book Value). A key benefit of CCM analysis is that the methodology is based on the current market stock price. The current stock price is generally viewed as one of the best valuation metrics because markets are considered somewhat efficient. The difficulty here is in the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, and profitability and accounting practices. Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way similar enterprises are valued by public markets.



**M/S SAHYOG MULTIBASE LIMITED**

Particulars	Amount (INR Million)
Consolidated TTM Sales for 12 Months ended 30.09.2018	1,032.80
Industry Average Price to Sales Multiple	0.15
Value from Business Operations	154.92
Add: Surplus investments as on 30.09.2018	59.99
Equity Value	214.91
Less: Discount on lack of marketability @15%	32.24
Adjusted Equity value	182.67
No of Shares as on 30.09.2018	7,976,072
Value per Share	22.90

To arrive at the value of equity shares, we have considered the Market Cap/Sales Multiple, wherein we have multiplied the Trailing Twelve months Consolidated Sales ended on 30.09.2018 and multiplied it with the Market Cap to Sales Multiple as on 30.11.2018 of listed peer companies.

*Note: We have considered Market Cap/Sales Multiple in SML because the company is running into losses.*

**Best Agrochem Private Limited**

Particulars	Amount (INR Million)
Consolidated TTM EBITDA for 12 Months ended 30.11.2018	127.81
Industry Average EV/EBITDA Multiple	11.59
Value from Business Operations	1,481.31
Add: Cash & Investments as on 30.11.2018	73.59
Enterprise Value	1,554.90
Less : Debt as on 30.11.2018	324.67
Add: Amount of unpaid calls as on 30.11.2018	-
Add: Surplus Assets	-
Equity Value	1,230.22
Less: Discount on lack of marketability @15%	184.53
Adjusted Equity value	1,045.69
No. of Equity Shares post forfeiture of 15 Lacs shares as on 30.11.2018	5,737,140
Value per Share	182.27

To arrive at the value of equity shares, we have considered the EV/EBITDA Multiple, wherein we have multiplied the Consolidated Trailing Twelve months EBITDA ended 30.11.2018 and multiplied it with the EV/EBITDA Multiple as on 30.11.2018 of listed peer companies.

*Note: We have considered EV/EBITDA Multiple in BAPL because the company is running into profits.*





## SECTION V –SHARE EXCHANGE RATIO

### SHARE EXCHANGE RATIO FOR MERGER:-

On the basis of above analysis the share exchange ratio has been arrived at and accordingly the Transferee Company shall, without any further act or deed and without any further payment, issue and allot equity shares on a proportionate basis to each member of the Transferor Company.

Valuation Approach	Sahyog Multibase Ltd		BEST AGROCHEM PVT. LTD.	
	Equity Value	Weight	Equity Value	Weight
<b>Asset Approach</b>	<b>567.37</b>	<b>1.00</b>	<b>273.85</b>	<b>1.00</b>
<b>Market Approach</b>	<b>182.67</b>	<b>1.00</b>	<b>1,045.69</b>	<b>1.00</b>
<b>Relative Equity Value</b>	<b>375.02</b>		<b>659.77</b>	
<b>No. of Equity Shares</b>	<b>7,976,072</b>		<b>5,737,140</b>	
<b>Value per Equity Share</b>	<b>47.02</b>		<b>115.00</b>	
<b>Share Exchange Ratio for every 1 share</b>	<b>1.00</b>		<b>2.45</b>	
<b>Share Exchange Ratio for every 100 shares</b>	<b>100</b>		<b>245</b>	

# Note: Since Sahyog Multibase limited is an infrequently traded listed company, its projections are confidential in nature, so we have not applied Income Approach and on a relative basis we have also not applied Income approach in case of Best Agrochem Private Limited. We have given equal weight to Asset Approach and Market Approach, after considering appreciation in the value of investment made by these companies.

- **245 (Two Hundred and Forty Five)** Equity shares of face value of Rs.10/- (Rupees Ten) each in Sahyog Multibase Limited for every **100 (One Hundred)** Equity shares of face value of Rs.10/- (Rupee Ten) each of Best Agrochem Private Limited.

For SANJEEV JAGDISH CHAND & ASSOCIATES

  
FRN No.  
022242N  
Place: New Delhi  
Date – 25<sup>th</sup> December, 2018



## SUMMARY OF VALUATION ANALYSIS

### **1. BACKGROUND & PURPOSE**

The Board of Directors of Sahyog Multibase Limited (SML) and Best Agrochem Private Limited (BAPL) in their respective board meeting has considered and approved the Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited with Sahyog Multibase Limited (SML) in terms of provisions of Section 230-232 of the Companies Act, 2013.

### **2. BREIF DETAILS OF THE COMPANY**

- a) **BEST AGROCHEM PRIVATE LIMITED** (Transferor Company/ Applicant Company 1/ “BAPL”) was incorporated on 3rd December, 2007 under the name of “Best Agrochem Private Limited” in accordance with the provisions of the Companies Act, 1956.
- b) **SAHYOG MULTIBASE LIMITED** (Transferee Company/ Applicant Company 2/“SML”) was incorporated on 10th January, 1992 in accordance with the provisions of the Companies Act, 1956, with the name and style of Sahyog Credits Limited thereafter, the name was changed to Sahyog Multibase Limited and fresh certificate of incorporation has been issued on 21st October, 2016 by Registrar of Companies, NCT of Delhi and Haryana. The Transferee Company is widely held listed Company and the shares of the Company are listed at Nation Wide Stock Exchange i.e. BSE Limited (“BSE”).

### **3. CAPITAL STRUCTURE**

a) **Transferor Company:**

The details of the authorized, issued, subscribed and paid-up capital of the Transferor Company as on March 31, 2018 are as follows:

<b>Particulars</b>	<b>Amount (Rs.)</b>
<b>Authorized Share Capital</b> 1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000.00
<b>Issued Capital</b> 72,37,140 Equity Shares of Rs.10/- each	7,23,71,400.00
<b>Subscribed and fully paid up Capital</b> 42,37,140 Equity Shares of Rs.10/- each	4,23,71,400.00
<b>Subscribed but not fully paid up Capital</b> 30,00,000 Equity Shares of Rs.10/- each	3,00,00,000.00

<b>Called up Share Capital</b>	
42,37,140 Equity Shares of Rs.10/- each	4,23,71,400.00
30,00,000 Equity Shares of (Rs. 7.50 Called up)	2,25,00,000.00
<b>Total Called up Share Capital</b>	<b>6,48,71,400.00</b>
<b>Less Calls in Arrears</b>	
<b>Calls unpaid by others</b>	<b>37,50,000.00</b>
<b>Total Paid up Share Capital</b>	<b>6,11,21,400.00</b>

\* However, pursuant to approval of Board of Directors of the Company dated 28<sup>th</sup> November, 2018 the Company has forfeited 1,500,000 partly paid up equity shares of Siddh Coal Transport Private Limited on which total Rs. 20,250,000/- at the rate of Rs. 5/- per share towards equity capital and Rs. 8.5/- per shares as premium per share remains unpaid on account of 1<sup>st</sup> call and 2<sup>nd</sup> call due thereon after due notice of which had been served upon the defaulting shareholders.

The capital structure of the Transferor Company after the forfeiture of shares on 28th November, 2018 is mentioned below:

<b>Particulars</b>	<b>Amount (Rs.)</b>
<b>Authorized Share Capital</b>	
1,00,00,000 Equity Shares of Rs. 10 Each	10,00,00,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
57,37,140 Equity Shares of Rs. 10 Each	5,73,71,400.00
<b>Total</b>	<b>5,73,71,400.00</b>

**b) Transferee Company:**

The details of the authorized, issued, subscribed and paid-up capital of the Transferee Company as on March 31, 2018 are as follows:

<b>Particulars</b>	<b>Amount (Rs.)</b>
<b>Authorized Share Capital</b>	
87,00,000 Equity Shares of Rs. 10 Each	8,70,00,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
79,76,072 Equity Shares of Rs. 10 Each	7,97,60,720.00
<b>Total</b>	<b>7,97,60,720.00</b>

#### 4. VALUATION METHODOLOGY

a) Valuation Date is 25th December, 2018.

b) NET ASSET VALUE METHOD:-

Asset based method (NAV) views the business as a set of assets and liabilities that are used as building blocks to construct the value of the company.

#### M/S SAHYOG MULTIBASE LIMITED

Sahyog Multibase Limited (herein after referred to as “SML” or “Transferee Company”) bearing CIN L74110DL1992PLC116773, was originally incorporated on 10th January 1992 under the provisions of Companies Act, 1956 with the name and style of Sahyog Credits Limited thereafter, the name was changed to Sahyog Multibase Limited and fresh certificate of incorporation has been issued on 21st October, 2016 by Registrar of Companies –Delhi. After looking into the business model, we have carried the Valuation as per Net Asset Valuation Methodology.

Sahyog Multibase Ltd	
Net Asset Value as on 30.09.2018	
Particulars	Amount in INR Million
Share Capital	79.76
Reserves and Surplus	427.62
Add: Fair Value of Investment#	59.99
<b>Net Asset Value</b>	<b>567.37</b>
No of Shares	7,976,072
<b>Value Per Share (INR)</b>	<b>71.13</b>

#### # Notes:

- SML holds minority shareholding in M/s Bhurgi Super Tek Industries Limited, M/s Pride Buildtech Private Limited, M/s Tavares Tradelinks Private Limited and M/s Industries Asia Private Limited. Accordingly, the fair value of unquoted shares such companies has been considered equal to the Book value as on 30<sup>th</sup>September, 2018 as represented by the management since there is no material change involved.
- The company also holds Investments in equity shares of Vikas Ecotech and Rushil Décor where the market price on November 30, 2018 is considered as fair value of such shares.
- The shares of Vikas Multicorp Limited in which SML holds investments is valued at INR 1.99 per share as per the Valuation Report issued by us on 29<sup>th</sup> May, 2017.

### **M/S BEST AGROCHEM PRIVATE LIMITED**

Best Agrochem Private Limited (herein after referred to as “BAPL” or “Transferor Company”), bearing CIN U24100DL2007PTC171008 was incorporated on 3rd December, 2007 under the provisions of Companies Act, 1956. The registered office of the Company is situated at S-1A Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi - 110026. After looking into the business model, we have carried the Valuation as per Net Asset Valuation Methodology.

<b>BEST AGROCHEM PVT. LTD.</b>	
<b>Net Asset Value as on 30.11.2018</b>	
<b>Particulars</b>	<b>Amount in INR Million</b>
Share Capital	57.37
Reserves and Surplus	216.48
Add: Amount of unpaid calls as on 30.11.2018	-
<b>Net Asset Value</b>	<b>273.85</b>
No. of Equity Shares as on 30.11.2018	5,737,140
<b>Value Per Share (INR)</b>	<b>47.73</b>

### **c) COMPARABLE COMPANIES MULTIPLE METHOD:-**

Comparable Companies Multiples Method uses the valuation ratios of a publicly traded company and applies that ratio to the company being valued (after applying appropriate discount). The valuation ratio typically expresses the valuation as a function of a measure of financial performance or Book Value (e.g. Turnover, EBITDA, EBIT, EPS or Book Value). A key benefit of CCM analysis is that the methodology is based on the current market stock price. The current stock price is generally viewed as one of the best valuation metrics because markets are considered somewhat efficient. The difficulty here is in the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, and profitability and accounting practices. Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way similar enterprises are valued by public markets.

**M/S SAHYOG MULTIBASE LIMITED**

Particulars	Amount (INR Million)
Consolidated TTM Sales for 12 Months ended 30.09.2018	1,032.80
Industry Average Price to Sales Multiple	0.15
Value from Business Operations	154.92
Add: Surplus investments as on 30.09.2018	59.99
Equity Value	214.91
Less: Discount on lack of marketability @15%	32.24
Adjusted Equity value	182.67
No of Shares as on 30.09.2018	7,976,072
Value per Share	22.90

To arrive at the value of equity shares, we have considered the Market Cap/Sales Multiple, wherein we have multiplied the Trailing Twelve months Consolidated Sales ended on 30.09.2018 and multiplied it with the Market Cap to Sales Multiple as on 30.11.2018 of listed peer companies.

Note: We have considered Market Cap/Sales Multiple in SML because the company is running into losses.

**Best Agrochem Private Limited**

Particulars	Amount (INR Million)
Consolidated TTM EBITDA for 12 Months ended 30.11.2018	127.81
Industry Average EV/EBITDA Multiple	11.59
Value from Business Operations	1,481.31
Add: Cash & Investments as on 30.11.2018	73.59
Enterprise Value	1,554.90
Less : Debt as on 30.11.2018	324.67
Add: Amount of unpaid calls as on 30.11.2018	-
Add: Surplus Assets	-
Equity Value	1,230.22
Less:Discount on lack of marketability @15%	184.53

<b>Adjusted Equity value</b>	<b>1,045.69</b>
No. of Equity Shares post forfeiture of 15 Lacs shares as on 30.11.2018	5,737,140
<b>Value per Share</b>	<b>182.27</b>

To arrive at the value of equity shares, we have considered the EV/EBITDA Multiple, wherein we have multiplied the Consolidated Trailing Twelve months EBITDA ended 30.11.2018 and multiplied it with the EV/EBITDA Multiple as on 30.11.2018 of listed peer companies.

## **5. VALUATION CONCLUSION**

Based on foregoing data, the fair ratio of exchange would be as follows

Valuation Approach	Sahyog Multibase Ltd		Best Agrochem Pvt. Ltd.	
	Equity Value	Weight	Equity Value	Weight
<b>Asset Approach</b>	<b>567.37</b>	<b>1.00</b>	<b>273.85</b>	<b>1.00</b>
<b>Market Approach</b>	<b>182.67</b>	<b>1.00</b>	<b>1,045.69</b>	<b>1.00</b>
<b>Relative Equity Value</b>	<b>375.02</b>		<b>659.77</b>	
<b>No. of Equity Shares</b>	<b>7,976,072</b>		<b>5,737,140</b>	
<b>Value per Equity Share</b>	<b>47.02</b>		<b>115.00</b>	
<b>Share Exchange Ratio for every 1 share</b>	<b>1.00</b>		<b>2.45</b>	
<b>Share Exchange Ratio for every 100 shares</b>	<b>100</b>		<b>245</b>	

**SHARE EXCHANGE RATIO:** For every **100 (One Hundred)** Equity Share of Face and paid up value of Rs. 10/-(Ten) in BAPL, **245 (Two Hundred and Forty Five)** equity share of face and paid up value of Rs. 10/-(Ten) in SML to be issued to the equity shareholders of BAPL.

By order of the Board.  
For Sahyog Multibase Limited

Sd/-  
Vishesh Gupta  
Director



# **FAIRNESS OPINION**

**SAHYOG MULTIBASE LIMITED**

**(FORMERLY KNOWN AS SAHYOG CREDITS LIMITED)**

2<sup>nd</sup> January, 2019



**Corporate  
Professionals**

**Strictly Private & Confidential**



To,  
The Board of Directors  
SAHYOG MULTIBASE LIMITED  
AND  
BEST AGROCHEM PRIVATE LIMITED

Subject: Fairness Opinion on the valuation report undertaken by "Sanjeev Jagdish Chand & Associates, Chartered Accountant" dated 25.12.2018 in the proposed Scheme of Arrangement for Merger of Best Agrochem Private Limited (hereinafter referred to as "BAPL" / "Transferor Company") with Sahyog MultiBase Limited (hereinafter referred to as "SML" / "Transferee Company")

Dear Sir,

We refer to the request made by the management of **M/s Sahyog MultiBase Limited** for the purpose of arriving at an opinion on the Valuation of Equity shares carried by **M/s SANJEEV JAGDISH CHAND & ASSOCIATES, Chartered Accountants** (here-in-after referred as "Valuer") in respect of the proposed Merger of "BAPL" with "SML" w.e.f. the Appointed date i.e. 1st April, 2018 pursuant to a Scheme of Arrangement for Merger to be sanctioned by the Hon'ble High Court of relevant jurisdiction under Section 230 read with Section 232 of the Companies Act, 2013.

In terms of our assigned engagement, we are enclosing our opinion along with this letter. Please note that this is just an opinion on the captioned subject on the basis of the documents submitted to us and does not constitute our independent Valuation Analysis. All comments as contained herein must be read in conjunction with the Caveats to this opinion.

The opinion is confidential and has been prepared exclusively for the management of the Transferor Company and Transferee Company. It should not be used, reproduced or circulated to any other person, in whole or in part, without the prior consent of **Corporate Professionals Capital Private Limited**, such consent will only be given after full consideration of the circumstance at the time. We are however aware that the conclusion in this report may be used for the purpose of certain statutory disclosures and we provide consent for the same. Please feel free to contact us in case you require any additional information or clarifications.

Yours Faithfully,  
For Corporate Professionals Capital Private Limited

  
Maneesh Srivastava  
[Authorised Signatory]



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## CONTEXT AND BACKGROUND

1. **M/s Sahyog MultiBase Limited** (Transferee Company) is a public company having shares listed at BSE Limited (BSE) and its shares are infrequently traded shares. Now, pursuant to a Scheme of Arrangement for Merger, **M/s Best Agrochem Private Limited** (Transferor Company) is proposed to be merged into **Sahyog India Limited** pursuant to Section 230 read with Section 232 of the Companies Act, 2013
2. The Valuation and Swap Ratio for the proposed Amalgamation has been determined by, **M/S SANJEEV JAGDISH CHAND & ASSOCIATES, Chartered Accountants** vide their Valuation Report dated 25<sup>th</sup> December, 2018.
3. The opinion expressed here is confidential and has been made in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "listing regulations") read with SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017, the Listed Company shall submit the "Fairness Opinion" obtained by a Merchant Banker on the Valuation of assets / shares done by the Valuer for the listed entity and unlisted company.
4. With reference to the above, we, **Corporate Professionals Capital Private Limited, a SEBI Registered Merchant Banker**, have been appointed by the Transferee, to provide the "Fairness Opinion" on the same.



**BRIEF ABOUT COMPANIES**
**1. SAHYOG MULTIBASE LIMITED (herein after referred to as "SML" or "Transferee Company")**

SML was originally incorporated on 10<sup>th</sup> January, 1992 under the provisions of Companies Act, 1956 and is listed on BSE Limited ("BSE"). It is presently engaged in trading of organic and inorganic chemicals, compounds, solvents and drugs.

**Extract of Limited Reviewed Balance Sheet of Sahyog MultiBase Limited as on 30<sup>th</sup> September, 2018**

Particulars	Amount in INR Million
Total Shareholder's Fund	510.1
Non-Current Liabilities	83.3
Current-Liabilities	219.9
<b>Total Equity and Liabilities</b>	<b>813.3</b>
<b>ASSETS</b>	
Fixed Assets	2.3
Other Non-Current Assets	36.9
Current Assets	774.1
<b>Total Assets</b>	<b>813.3</b>

**Extract of Limited Reviewed Profit & Loss Statement of Sahyog MultiBase Limited for the Trailing Twelve months (TTM) ended on 30<sup>th</sup> September, 2018**

Particulars	Amount in INR Million
Revenue from Operation	790.6
Other Income	69.9
<b>Total Income</b>	<b>860.5</b>
Total Operating Expenses	892.8
<b>EBITDA</b>	<b>(32.3)</b>
Depreciation	0.8
<b>EBIT</b>	<b>(33.1)</b>
Interest	10.5
<b>PBT</b>	<b>(43.6)</b>





The Capital Structure of Sahyog MultiBase Limited as on 31<sup>st</sup> March, 2018 are as follow:

Particulars	Amount (INR Million)
<b>Authorized Share Capital</b>	
8,700,000 Equity Shares of Rs. 10 Each	87.00
<b>Issued, Subscribed and Paid up Share Capital</b>	79.76
7,976,072 Equity Shares of Rs. 10 Each	

*There is no change in the capital structure of SML as on 30 September, 2018.*

2. **BEST AGROCHEM PRIVATE LIMITED** (herein after referred to as “BAPL” or “Transferor Company”)  
 BAPL was incorporated on 3<sup>rd</sup> December, 2007 under the provisions of Companies Act, 1956. The company is providing diverse range of products to its customers. Its product range includes insecticides, herbicides, fungicides, plant growth regulators etc.

**Extract of Management Certified Balance Sheet Best Agrochem Private Limited as on 30<sup>th</sup> November, 2018**

Particulars	Amount in INR Million
<b>SOURCES OF FUNDS</b>	
Share Capital	57.37
Reserve and surplus	216.48
Non-Current Liabilities	153.63
Current Liabilities	2,231.66
<b>Total – Equity and Liabilities</b>	<b>2,659.14</b>
<b>ASSETS</b>	
Non-Current Assets	54.04
Current Assets	2,605.10
<b>Total - Assets</b>	<b>2,659.14</b>



Extract of Management Certified Profit & Loss Statement of Best Agrochem Private Limited for the Trailing Twelve months (TTM) ended on 30<sup>th</sup> November, 2018

Particulars	Amount in INR Million
Revenue	5,458.90
Other Income	6.49
<b>Total Income</b>	<b>5,465.39</b>
<b>Total Expenses</b>	<b>5,379.46</b>
<b>Profit Before Tax</b>	<b>86.03</b>
Tax expense	0.11
<b>Profit for the period after Tax</b>	<b>85.92</b>

The Capital Structure of Best Agrochem Private Limited as on 31<sup>st</sup> March, 2018 are as follow:

Particulars	Amount (INR Million)
<b>Authorized Share Capital</b>	
10,000,000 Equity Shares of Rs. 10 Each	100.00
<b>Issued Capital</b>	
7,237,140 Equity Shares of Rs. 10 Each	72.37
<b>Subscribed and Fully Paid up Capital</b>	
4,237,140 Equity Shares of Rs. 10 Each	42.37
<b>Subscribed but not Fully Paid up Capital</b>	
3,000,000 Equity Shares of Rs. 10 Each	30.00
<b>Called up Share Capital</b>	
4,237,140 Equity Shares of Rs. 10 Each	42.37
3,000,000 Equity Shares of (Rs 7.50 Called Up)	22.50
<b>Total Called up Share Capital</b>	<b>64.87</b>
<b>Less Calls in arrears</b>	
<b>Calls unpaid by others</b>	<b>3.75</b>
<b>Total Paid Up Share Capital</b>	<b>61.12</b>

However, pursuant to approval of Board of Directors of the Company dated 28<sup>th</sup> November, 2018 the Company has forfeited 1,500,000 partly paid up equity shares of Siddh Coal Transport Private Limited on which total Rs. 20,250,000/- at the rate of Rs. 5/- per share towards equity capital and Rs. 8.5/- per



shares as premium per share remains unpaid on account of 1<sup>st</sup> call and 2<sup>nd</sup> call due thereon after due notice of which had been served upon the defaulting shareholders.

The capital structure of the Transferor Company after the forfeiture of shares on 30<sup>th</sup> November, 2018 is mentioned below:

Particulars	Amount (INR Million)
<b>Authorized Share Capital</b>	
10,000,000 Equity Shares of Rs. 10 Each	10.00
<b>Issued, Subscribed and Paid up Share Capital</b>	
5,737,140 Equity Shares of Rs. 10 Each	5.74





**VALUER ANALYSIS**

To determine the exchange ratio between "BAPL" and "SML", the Valuer has specifically relied upon the following documents:

- Management Certified Balance Sheet of BAPL as on 30<sup>th</sup> November, 2018.
- Management Certified Profit and Loss account of BAPL for the Trailing Twelve months period ended 30<sup>th</sup> November, 2018.
- Limited Reviewed Balance sheet of SML as on 30<sup>th</sup> September, 2018 and Profit and loss account for Trailing Twelve months period ended 30<sup>th</sup> September, 2018
- Draft Scheme of Amalgamation.
- Management Representation.

**VALUER APPROACHES TO VALUATION**

**NET ASSET VALUE APPROACH:-** Asset based method (NAV) views the business as a set of assets and liabilities that are used as building blocks to construct the value of the company.

**1. M/S SAHYOG MULTIBASE LIMITED or 'SML'**

SML was originally incorporated on 10<sup>th</sup> January, 1992 under the provisions of Companies Act, 1956 and is listed on BSE Limited ("BSE"). It is presently engaged in trading of organic and inorganic chemicals, compounds, solvents and drugs. After looking into the business model, the valuer has carried the Valuation as per Asset Approach and Market Approach.

Sahyog Multibase Ltd	
Net Asset Value as on 30.09.2018	
Particulars	Amount in INR Million
Share Capital	79.76
Reserves and Surplus	427.62
Add: Fair Value of Investment	59.99
<b>Net Asset Value</b>	<b>567.37</b>
No of Shares	7,976,072
<b>Value Per Share (INR)</b>	<b>71.13</b>

**# Notes:**

- SML holds minority shareholding in M/s Bhurgi Super Tek Industries Limited, M/s Pride Buildtech Private Limited, M/s Tavares Tradelinks Private Limited and M/s Industries Asia Private Limited. The fair value of unquoted shares of such companies has been considered equal to the Book value as on 30<sup>th</sup> September, 2018 by the valuer, as represented by the management since there is no material change involved.





- The company also holds Investments in equity shares of Vikas Ecotech and Rushil Décor where the market price on November 30, 2018 is considered as fair value of such shares by the valuer.
- The shares of Vikas Multicorp Limited in which SML holds investments is valued at INR 1.99 per share as per the Valuation Report issued by the valuer on 29<sup>th</sup> May, 2017. The valuer has considered the same price per share since there is no material change involved.

**VALUATION OF SAHYOG MULTIBASE LIMITED AS PER MARKET APPROACH:**

Since the shares of SML are infrequently traded on BSE, therefore the valuer has valued the equity shares of the company as per Comparable Companies Valuation Methodology ("CCM").

Comparable Companies Multiples Method uses the valuation ratios of a publicly traded company and applies that ratio to the company being valued (after applying appropriate discount). The valuation ratio typically expresses the valuation as a function of a measure of financial performance or Book Value (e.g. Turnover, EBITDA, EBIT, EPS or Book Value). A key benefit of CCM analysis is that the methodology is based on the current market stock price. The current stock price is generally viewed as one of the best valuation metrics because markets are considered somewhat efficient. The difficulty here is in the selection of a comparable company since it is rare to find two or more companies with the same product portfolio, size, capital structure, business strategy, and profitability and accounting practices. Whereas no publicly traded company provides an identical match to the operations of a given company, important information can be drawn from the way similar enterprises are valued by public markets.

Particulars	Amount (INR Million)
Consolidated Sales for 12 M ended 30.09.2018	1,032.80
Industry Average Price to Sales Multiple	0.15
<b>Value from Business Operations</b>	<b>154.92</b>
Add: Surplus investments as on 30.09.2018	59.99
<b>Equity Value</b>	<b>214.91</b>
Less: Discount on lack of marketability @15%	32.24
<b>Adjusted Equity value</b>	<b>182.67</b>
No of Shares as on 30.09.2018	7,976,072
<b>Value per Share</b>	<b>22.90</b>

To arrive at the value of equity shares, the valuer has considered the Market Cap to Sales Multiple, wherein the valuer has multiplied Trailing Twelve months (TTM) Consolidated Sales ended 30.09.2018 and multiplied it with the Market Cap to Sales Multiple as on 30.11.2018 of listed peer companies.

*Note: The valuer has considered the Marketcap/Sales Multiple in SML because the company is running into losses.*



Valuer has not applied the Income Approach as the company is a listed company and the management of the company has not provided the future projections based on confidentiality.

## 2. BEST AGROCHEM PRIVATE LIMITED or 'BAPL'

It is engaged in various formulations of pesticides and plant micro-nutrients for protecting and nourishing a wide range of crops. Its product range includes insecticides, herbicides, fungicides, plant growth regulators etc. After looking into the business model, the valuer has carried the Valuation as per Asset Approach and Market Approach.

### VALUATION OF BAPL AS PER ASSET APPROACH:

BEST AGROCHEM PVT. LTD.	
Net Asset Value as on 30.11.2018	
Particulars	Amount in INR Million
Share Capital	57.37
Reserves and Surplus	216.48
Add: Amount of unpaid calls as on 30.11.2018	-
<b>Net Asset Value</b>	<b>273.85</b>
No. of Equity Shares as on 30.11.2018	5,737,140
<b>Value Per Share (INR)</b>	<b>47.73</b>



**VALUATION OF BAPL AS PER MARKET APPROACH:**

To arrive at the value of equity shares of BAPL, the valuer has applied the CCM methodology where the valuer has considered the EV/EBITDA Multiple, wherein the valuer has multiplied the Consolidated EBITDA for Trailing Twelve Months (TTM) period ended 30.11.2018 EBITDA and multiplied it with the EV/EBITDA Multiple as on 30.11.2018 of listed peer companies.

Particulars	Amount (INR Million)
<b>Consolidated TTM EBITDA for 12 Months ended 30.11.2018</b>	<b>127.81</b>
Industry Average EV/EBITDA Multiple	11.59
<b>Value from Business Operations</b>	<b>1,481.31</b>
Add: Cash & Investments as on 30.11.2018	73.59
<b>Enterprise Value</b>	<b>1,554.90</b>
Less : Debt as on 30.11.2018	324.67
Add: Amount of unpaid calls as on 30.11.2018	-
Add: Surplus Assets	-
<b>Equity Value</b>	<b>1,230.22</b>
Less: Discount on lack of marketability @15%	184.53
<b>Adjusted Equity value</b>	<b>1,045.69</b>
No. of Equity Shares as on 30.11.2018	5,737,140
<b>Value per Share</b>	<b>182.27</b>

*Note: The valuer has considered the EV/EBITDA Multiple in BAPL because the company is running into profits.*

### CONCLUSION & OPINION

In case of a merger valuation, the emphasis is on arriving at the “relative” values of the shares of the merging companies to facilitate determination of the “share exchange ratio”. Hence, the purpose is not to arrive at absolute values of the shares of the companies. In the instant case, the valuer has considered all three valuation approaches and have also given reasons for selection or rejection of particular approaches.

On the basis of above analysis the share exchange ratio has been arrived at by the valuer and accordingly the Transferee Company shall, without any further act or deed and without any further payment, issue and allot equity shares on a proportionate basis to the shareholders of the Transferor Company as under:

- **245 (Two Hundred and Forty Five)** Equity shares of face value of Rs.10/- (Rupees Ten) each in **Sahyog Multibase Limited** for every **100 (One Hundred)** Equity shares of face value of Rs.10/- (Rupee Ten) each of **Best Agrochem Private Limited**.

The valuation summary workings as required by BSE & NSE vide their circulars no LIST/COMP/02/2017-18 dated May 29, 2017 and NSE/CML/2017/12 dated June 01, 2017 respectively are as under –

Valuation Approach	INR Million			
	Sahyog Multibase Ltd#		Best Agrochem Pvt Ltd. #	
	Equity Value	Weight	Equity Value	Weight
Asset Approach	567.37	1.00	273.85	1.00
Market Approach	182.67	1.00	1,045.69	1.00
Relative Equity Value	375.02		659.77	
No. of Equity Shares	7,976,072		5,737,140	
Value per Equity Share	47.02		115.00	
Share Exchange Ratio for every 1 share	1.00		2.45	
Share Exchange Ratio for every 100 shares	100		245	

*# Note: Since Sahyog Multibase limited is an infrequently traded listed company, its projections are confidential in nature, so the valuer has not applied Income Approach and on a relative basis the valuer has also not applied Income approach in case of Best Agrochem Private Limited. Also, the valuer has given equal weight to Asset Approach and Market Approach, after considering appreciation in the value of investment made by these companies.*





*"Subject to above read with the caveats as detailed later, we as a Merchant Banker hereby certify that pursuant SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017, we have reviewed the Valuation Report issued by M/S SANJEEV JAGDISH CHAND & ASSOCIATES, Chartered Accountants, dated 25<sup>th</sup> December, 2018 and are of the opinion that the valuation and swap ratio of proposed Amalgamation may be taken as fair and reasonable from the perspective of Equity Shareholders of the Company."*

**CAVEATS**

- We wish to emphasize that; we have relied on explanations and information both verbal and written provided by the respective key managements, valuer and other public available information while verifying the valuation report. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.
- We have not made an appraisal or independent valuation of any of the assets or liabilities of the companies and have not conducted an audit or due diligence or reviewed/validated the financial data except what is provided to us by the Companies.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- We have no present or planned future interest in M/s Best Agrochem Private Limited or Sahyog MultiBase Limited and the fee payable for this opinion is not contingent upon the opinion reported herein.
- Our Fairness Opinion should not be construed as investment advice; specifically, we do not express any opinion on the suitability or otherwise of entering into the proposed transaction.
- The Opinion contained herein is not intended to represent at any time other than the date that is specifically stated in this Report. This opinion is issued on the understanding that the Management / "Valuer" of M/s Best Agrochem Private Limited and Sahyog MultiBase Limited has drawn our attention to all matters of which they are aware, which may have an impact on our opinion up to the date of valuation as at 25<sup>th</sup> December 2018 . We have no responsibility to update this report for events and circumstances occurring after this Valuation Date.
- This Fairness Opinion of ours as a Cat-1 Merchant Banker is subject to the Caveats above as well as the Caveats of the "Valuer" mentioned in its valuation report dated 25.12.2018.
- The Fairness Opinion provided by us should not be construed as a legal opinion on the Petition to be filed u/s 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.
- Our report is not, nor should it be construed as our opining or certifying the compliance of the proposed amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising from such proposed amalgamation.



DCS/AMAL/DS/R37/1496/2019-20

June 13, 2019

The Company Secretary,  
**Sahyog Multibase Limited**  
 House No. 9, Road No. - 13, East Punjabi Bagh,  
 New Delhi, Delhi, 110026

Sir,

**Sub: Observation letter regarding the Draft Scheme of Arrangement between Sahyog Multibase Limited and Best Agrochem Private Limited and their respective shareholders and creditors.**

We are in receipt of Draft Scheme of Arrangement between Sahyog Multibase Limited and Best Agrochem Private Limited and their respective shareholders and creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated June 13, 2019 has inter alia given the following comment(s) on the draft scheme of arrangement:

- “Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”
- “Company shall duly comply with various provisions of the Circulars.”
- “Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”
- “It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”

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

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

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

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

(2)

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

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

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

Yours faithfully,

  
 Nitinkumar Pujari  
Senior Manager





# SAHYOG MULTIBASE LIMITED

(FORMERLY SAHYOG CREDITS LIMITED)

House No. 9, Road No. 13, East Punjabi Bagh, New Delhi-110026

CIN: L74110DL1992PLC116773

22<sup>nd</sup> March, 2019

To,  
The General Manager,  
Department of Corporate Services  
BSE Limited,  
P. J. Towers, Dalal Street,  
Mumbai – 400001

**Subject: Complaint Report required to be submitted under Regulation 37 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI (LODR) Regulations, 2015') in relation to the Draft Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited (hereinafter referred as "Transferor Company") with Sahyog Multibase Limited (hereinafter referred to as "Transferee Company") under Section 230-232 of the Companies Act, 2013.**

Dear Sir,

In reference to the above captioned subject and to our application under Regulation 37 of the SEBI (LODR) Regulations, 2015 dated 04.02.2019, please find enclosed the complaints received by the Company on the Scheme for the period of 21 days commencing from 27<sup>th</sup> February, 2019 to 20<sup>th</sup> March, 2019.

The Company has also hosted the Scheme along with the requisite documents on its website.

Kindly take the same on your records.

Thanking You

Yours Sincerely,

For Sahyog Multibase Limited

For Sahyog Multibase Limited

  
Vishesh Gupta Auth. Signatory

Director

DIN: 00255689



# SAHYOG MULTIBASE LIMITED

(FORMERLY SAHYOG CREDITS LIMITED)

House No. 9, Road No. 13, East Punjabi Bagh, New Delhi-110026

CIN: L74110DL1992PLC116773

## FORMAT FOR REPORT ON COMPLAINTS

### PART A

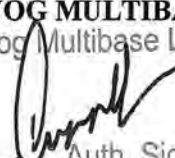
Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NIL
5.	Number of complaints pending	NIL

### PART B

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

**FOR SAHYOG MULTIBASE LIMITED**

For Sahyog Multibase Limited

  
Vishesh Gupta Auth. Signatory  
Director

DATE: 22.03.2019

PLACE: NEW DELHI

**ADOPTION OF REPORT BY BOARD OF DIRECTORS OF BEST AGROCHEM PRIVATE LIMITED IN ITS MEETING HELD ON 5<sup>TH</sup> JANUARY, 2019 EXPLAINING THE EFFECT OF SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON – PROMOTER SHAREHOLDERS OF THE COMPANY PURSUANT TO THE PROVISIONS OF SECTION 232(2)(c) OF THE COMPANIES ACT, 2013.**

**1. Background**

- 1.1. The proposed Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited (Transferor Company) with Sahyog Multibase Limited (Transferee Company) and their respective shareholders and creditors under sections 230-232 of Companies Act, 2013 ("**the Scheme**") was approved by the Board of Directors of Transferee Company vide resolution dated 05.01.2019. Further, provisions of Section 232(2) (c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of arrangement and amalgamation on equity shareholders, key managerial personnel (KMPs), promoters and non-promoters shareholders of the Transferee Company laying out in particular the Valuation Report and the same is required to be circulated for the meeting(s) so ordered by the National Company Law Tribunal.
- 1.2. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2) (c) of the Companies Act, 2013.
- 1.3. The following documents were placed before the Board:
  - 1.3.1. Draft Scheme duly initialed by Company Secretary for the purpose of identification;
  - 1.3.2. Share Exchange Ratio dated 25.12.2018 of M/s Sanjeev Jagdish Chand & Associates, Chartered Accountant ("the Valuers"), Independent Chartered Accountants describing the methodology adopted by them in arriving at the Share Exchange Ratio.
  - 1.3.3. Fairness Opinion 02.01.2019 dated issued by Corporate Professionals Capital Private Limited, Category – 1, Merchant Banker.

**2. Effect of the Scheme of Arrangement as summarized below on equity shareholders (promoter shareholders), employees and KMPs of Transferor Company.**

- 2.1. Upon the effectiveness of the Scheme of Arrangement for Amalgamation of Transferor Company with Transferee Company, the Transferee Company shall allot equity shares, based on the Share Exchange Ratio, as under and more particularly in the manner as stipulated in Part III of the Scheme, to the equity shareholders of the Transferor Company.

*“Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholders of “Transferor Company” (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company), shares in proportion of **245 (Two Hundred Forty Five) Equity Share of Face Value of Rs.10/-(Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs. 10/-(Rupees Ten) each held by them in “Transferor Company” pursuant to this Scheme of Amalgamation”.***

- 2.2. Cross holding at the time of record date (if any), between Transferor Company and the Transferee Company, if not transferred prior to the Effective Date, shall get cancelled at the time of allotment of shares to the shareholders of Transferor Company by Transferee Company and the approval of Scheme by the NCLT under section 230 and 232 of the Companies Act, 2013 shall also be treated as approval under Section 66 of the Companies Act, 2013 for reduction of capital pursuant to such cancellations.
- 2.3. As far as the Shareholders of the Transferor Company are concerned, all the shareholders except the equity shares held by Transferee Company as per para 2.2 above will be issued and allotted equity shares in the share capital of the Transferee Company in accordance with the aforementioned share exchange ratio and the equity shares held by them in the Company will stand cancelled.
- 2.4. The promoter shareholders of the Transferor Company will become the co-promoters of the Transferee Company and the non-promoters shareholders of the Transferor Company becomes the shareholder (Non-promoters non - public) of the Transferee Company.
- 2.5. Under Clause 6 of Part II of the Scheme of Arrangement for Amalgamation, on and from the Effective Date, Transferee Company undertakes that all persons that were employed by the Transferor Company immediately before such date shall become employees of the Transferee Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Transferor Company immediately prior to such transfer and without any break or interruption of service and in the manner provided under Clause 6 of Part II of the Scheme. In the circumstances, the rights of the Employees of the Transferor Company would in no way be affected by the Scheme.
- 2.6. The Key managerial personnel(s) (KMPs) and / or directors of the Transferor Company will ceased to be KMPs and/or the directors of the Transferor Company and as per requirement they will be appointed as Key managerial personnel(s) (KMPs) and / or directors of the Transferee Company.
- 2.7. No special valuation difficulties were reported.

By order of the Board.  
For Best Agrochem Private Limited

Sd/-  
Vimal Kumar  
Director

**ADOPTION OF REPORT BY BOARD OF DIRECTORS OF SAHYOG MULTIBASE LIMITED IN ITS MEETING HELD ON 5<sup>th</sup> JANUARY, 2019 EXPLAINING THE EFFECT OF SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON – PROMOTER SHAREHOLDERS OF THE COMPANY PURSUANT TO THE PROVISIONS OF SECTION 232(2)(c) OF THE COMPANIES ACT, 2013.**

**1. Background**

- 1.1. The proposed Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited (Transferor Company) with Sahyog Multibase Limited (Transferee Company) and their respective shareholders and creditors under sections 230-232 of Companies Act, 2013 ("**the Scheme**") was approved by the Board of Directors of Transferor Company vide resolution dated 05.01.2019. Further, provisions of Section 232(2) (c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of arrangement and amalgamation on equity shareholders, key managerial personnel (KMPs), promoters and non-promoters shareholders of the Transferee Company laying out in particular the Valuation Report and the same is required to be circulated for the meeting(s) so ordered by the National Company Law Tribunal.
- 1.2. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2) (c) of the Companies Act, 2013.
- 1.3. The following documents were placed before the Board:
  - 1.3.1. Report of Audit Committee;
  - 1.3.2. Draft Scheme duly initialed by Company Secretary for the purpose of identification;
  - 1.3.3. Share Exchange Ratio dated 25.12.2018 of M/s Sanjeev Jagdish Chand & Associates, Chartered Accountant ("**the Valuers**"), Independent Chartered Accountants describing the methodology adopted by them in arriving at the Share Exchange Ratio.
  - 1.3.4. Fairness Opinion 02.01.2019 dated issued by Corporate Professionals Capital Private Limited, Category – 1, Merchant Banker.

**2. Effect of the Scheme of Arrangement as summarized below on equity shareholders (promoter shareholders), employees and KMPs of Transferee Company.**

- 2.1. Upon the effectiveness of the Scheme of Arrangement for Amalgamation of Transferor Company with Transferee Company, the Transferee Company shall allot equity shares, based on the Share Exchange Ratio, as under and more particularly in the manner as stipulated in Clause 1.1 of Part III of the Scheme, to the equity shareholders of the Transferor Company.

*“Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholders of “Transferor Company” (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company), shares in proportion of **245 (Two Hundred Forty Five) Equity Share of Face Value of Rs.10/-(Rupees Ten) each in Transferee Company for every 100 (One Hundred) Equity shares of face value of Rs. 10/-(Rupees Ten) each held by them in “Transferor Company” pursuant to this Scheme of Amalgamation**”.*

- 2.2. Cross holding at the time of record date (if any), between Transferor Company and the Transferee Company, if not transferred prior to the Effective Date, shall get cancelled at the time of allotment of shares to the shareholders of Transferor Company by Transferee Company and the approval of Scheme by the NCLT under section 230 and 232 of the Companies Act, 2013 shall also be treated as approval under Section 66 of the Companies Act, 2013 for reduction of capital pursuant to such cancellations.
- 2.3. As far as the Shareholders of the Transferor Company are concerned, all the shareholders except the equity shares held by Transferee Company as per para 2.2 above will be issued and allotted equity shares in the share capital of the Transferee Company in accordance with the aforementioned share exchange ratio and the equity shares held by them in the Company will stand cancelled. Further, there will be no impact on promoters and non – promoters shareholders of the Transferee Company.
- 2.4. Under Clause 6 of Part II of the Scheme of Arrangement for Amalgamation, on and from the Effective Date, Transferee Company undertakes that all persons that were employed by the Transferor Company immediately before such date shall become employees of the Transferee Company with the benefit of continuity of service on same terms and conditions as were applicable to such employees of Transferor Company immediately prior to such transfer and without any break or interruption of service and in the manner provided under Clause 6 of Part II of the Scheme. In the circumstances, the rights of the Employees of the Transferor Company would in no way be affected by the Scheme.
- 2.5. There will be no impact of scheme of arrangement on Key managerial personnel(s) (KMPs) and / or directors of the Transferee Company.
- 2.6. No special valuation difficulties were reported.

By order of the Board.  
For Sahyog Multibase Limited

Sd/-  
Vishesh Gupta  
Managing Director



# BEST AGROCHEM PRIVATE LIMITED

Balance Sheet as at 31st March, 2019

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share Capital	1	57,371,400	61,121,400
(b) Share Forfeiture Account		7,500,000	
(c) Reserves and surplus	2	178,183,233	127,396,682
Money received against share warrants		-	-
		<b>243,054,633</b>	<b>188,518,082</b>
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3	261,237,739	68,424,906
(b) Deferred tax liabilities (net)		-	-
(c) Other long-term liabilities	5	12,836,646	10,330,963
(d) Long-term provisions	4	2,953,363	2,075,730
		<b>277,027,768</b>	<b>80,831,601</b>
<b>4 Current liabilities</b>			
(a) Short-term borrowings	6	559,070,659	634,316,176
(b) Trade payables	7	1,315,915,112	1,258,329,907
(c) Other current liabilities	8	21,630,231	21,854,522
(d) Short-term provisions	9	3,863,625	13,686,682
		1,900,488,527	1,928,187,487
<b>Total</b>		<b>2,420,570,928</b>	<b>2,197,537,170</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	10	67,733,316	9,773,236
(ii) Intangible assets	10	710,204	381,906
(iii) Intangible Assets under development	11	-	-
(iv) Capital work-in-progress		-	-
(b) Non-current investments	12	75,000	75,000
(c) Deferred tax assets (net)	14	1,690,312	1,687,379
(d) Long-term loans and advances	13	1,456,703	289,774
(e) Other non-current assets	14A	-	1,780,723
		71,664,537	13,988,016
<b>2 Current assets</b>			
(a) Current investments			
(b) Inventories	15	651,737,806	495,223,984
(c) Trade receivables	16	1,313,675,021	1,453,938,234
(d) Cash and cash equivalents	17	193,047,247	131,806,335
(e) Short-term loans and advances	18	21,663,493	8,232,745
(f) Other current assets	19	168,583,024	94,347,854
		2,348,906,391	2,183,549,152
Significant Accounting Policies & Notes to Accounts	28		
<b>Total</b>		<b>2,420,570,928</b>	<b>2,197,537,170</b>

In terms of our report of even date attached

For and on Behalf of

**Wadhwa & Associates**

Chartered Accountants

Firm Registration Number - 28301N

Prince Wadhwa

Proprietor

M No - 534962

Place: New Delhi

Date 27.08.2019



Prince Wadhwa  
Director  
DIN - 01260082



Shuvendu Kumar Satpathy

Director

DIN - 7552741



Arun

Company Secretary

M No - 18960

**BEST AGROCHEM PRIVATE LIMITED**

**Statement of Profit and Loss for the year ended 31st March, 2019**

Particulars	Note No.	YEAR ENDED	
		31-Mar-2019 (Rs.)	31-Mar-2018 (Rs.)
Revenue from Operations	20	5,747,832,535	4,768,082,775
Less: Branch Transfer		395,405,395	
Net Revenue from operations		5,352,427,140	
Other Income	21	3,994,736	7,276,231
<b>TOTAL REVENUE (I + II)</b>		<b>5,356,421,876</b>	<b>4,765,339,006</b>
<b>EXPENSES</b>			
Purchases of Stock-in-Trade	22	5,575,201,380	4,593,945,760
Less: Branch transfer		395,405,395	
Net Purchase of Stock-In-trade		5,179,795,985	
Changes in Inventories	23	(156,513,622)	(7,031,189)
Employee Benefit Expenses	24	58,580,506	41,781,337
Depreciation and Amortization Expenses	10	7,603,244	4,809,197
Finance expenses	25	47,891,312	22,152,622
Other Expenses	26	147,791,388	75,661,126
<b>TOTAL EXPENSES</b>		<b>5,285,148,813</b>	<b>4,731,318,853</b>
Profit before Exceptional and Extraordinary Items and Tax (III-IV)		71,273,063	34,020,153
Exceptional Items		-	-
<b>Profit before Extraordinary Items and Tax</b>		<b>71,273,063</b>	<b>34,020,153</b>
Extraordinary Items		-	-
<b>Profit Before Tax</b>		<b>71,273,063</b>	<b>34,020,153</b>
<b>Tax Expense</b>			
Current Tax		26,864,445	12,278,319
Tax for earlier years		-	-
Deferred Tax		(2,933)	(403,641)
<b>Profit/(Loss) for the period from Continuing Operations (IX-X)</b>		<b>44,411,551</b>	<b>22,145,475</b>
Profit/(Loss) from Discontinuing Operations		-	-
Tax Expense of Discontinuing Operations		-	-
<b>Profit/(Loss) from Discontinuing Operations (after tax) (XI-XIII)</b>		<b>-</b>	<b>-</b>
<b>Profit/(Loss) for the Period (XI+XIV)</b>		<b>44,411,551</b>	<b>22,145,475</b>
<b>Earnings per Equity Share</b>	27		
-Basic		7.74	3.06
-Diluted		7.74	3.06
<b>Summary of significant accounting policies</b>			
The accompanying notes are an integral part of the financial statements	28		

In terms of our report of even date attached

For and on Behalf of  
**Wadhwa & Associates**

Chartered Accountants

Firm Registration Number - 28301N

**Prince Wadhwa**

Proprietor

M.No. 534082

Place: New Delhi

Date: 27.08.2019



For and on behalf of the Board of Directors

**Pratima Kumar**

Director

DIN - 01260082



**Shuvendu Kumar Sarpathy**

Director

DIN - 7552741



**Company Secretary**

M.No - 18966



**BEST AGROCHEM PRIVATE LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED ON 31.03.2019**

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
	Amount(Rs)	Amount(Rs)
<b>(A) Cash flow from Operating Activities</b>		
Net Profit before taxation	71,273,063	34,020,162
<b>Adjustment for:</b>		
Depreciation	7,603,244	4,809,197
Investment income	(3,994,736)	(3,601,866)
Interest expense	47,891,312	22,152,622
Prior period Items	-	-
Provision for Employee Benefits	1,012,337	769,133
Provision for Bad debts	2,349,384	473,539
Unrealised loss/(gain) on Foreign Exchange	34,892,462	(3,474,369)
Other non-cash expenditure	-	-
Operating profit before working capital changes	161,027,086.00	54,938,412
<b>Working capital changes:</b>		
Increase/(Decrease) in Short Term Borrowings	(75,236,617)	274,953,942
(Increase)/Decrease in Inventories	(156,513,622)	(7,031,188)
Increase/(Decrease) in Trade Payable	57,585,205	482,170,498
Increase/(Decrease) in other Current Liabilities	(224,291)	10,670,584
(Increase)/Decrease in Debtors	140,063,213	(782,379,584)
(Increase)/Decrease in Short term loans and advances	(13,430,748)	97,571,311
(Increase)/Decrease in other Current Assets	(101,099,615)	(93,911,987)
(Increase)/Decrease in Long Term Provisions	-	683,554
Increase/(Decrease) in Short term provisions	(29,008)	(34,007)
(Increase)/Decrease in other Non Current Assets	1,780,723	(836,837)
Cash generated from operations	13,922,326.00	36,794,698
Income taxes paid	12,278,319	176,830
<b>Cash flow from Operating Activities (A)</b>	<b>1,644,007.00</b>	<b>36,617,868</b>
<b>(B) Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(65,891,622)	(2,939,398)
Increase/ (Decrease) of Investments in FDR	10,886,404	(34,971,202)
Investment income	(30,897,746)	7,276,231
<b>Cash Flow from Investing Activities (B)</b>	<b>(85,902,964)</b>	<b>(30,634,368)</b>
<b>(C) Cash flow from Financing Activities</b>		
Raising of unsecured loans	163,338,745	(6,789,192)
Repayment of secured loans	-	-
Raising of secured loans	29,474,086	(867,892)
Interest paid	(47,691,312)	(22,152,622)
Payment of Short term loans	-	-
Security received from Distributors	2,505,663	3,430,008
Issue of shares	-	18,750,000
Increase in Securities Premium	6,375,000	31,875,000
Securities provided to Distributors	(1,165,929)	40,810
<b>Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>152,636,273</b>	<b>24,286,112</b>
<b>(D) Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>68,377,316</b>	<b>30,289,612</b>
Opening Balance of Cash and Cash equivalents	49,398,609	19,128,997
<b>Closing Balance of Cash and Cash equivalents (Other than FDR)</b>	<b>117,775,925</b>	<b>49,398,609</b>

In terms of our report of even date attached  
**For Wadhwa & Associates**  
Chartered Accountants  
Firm Registration Number - 28301N

Prince Wadhwa  
Proprietor  
M.No. 534982  
Place: New Delhi  
Date: 27.06.2019





Note 1: Share Capital

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Authorised</b>		
10000000 (Previous Year 10000000) Equity Shares of Rs. 10 Each	100,000,000	100,000,000
<b>Issued</b>		
7237140 (Previous Year 7237140) Equity Shares of Rs. 10 Each	72,371,400	72,371,400
<b>Subscribed and fully paid up</b>		
5737140 (Previous Year 4237140) Equity Shares of Rs. 10 Each	57,371,400	42,371,400
<b>Subscribed but not fully paid up</b>		
( Previous year 3000000) Equity Shares of Rs. 10 Each	-	30,000,000
<b>Total Subscribed Share capital</b>	<b>57,371,400</b>	<b>72,371,400</b>
<b>Called up Share capital</b>		
4237140 (Previous Year 4237140) Equity Shares of Rs. 10 Each	42,371,400	42,371,400
3000000 Equity Shares Rs 10 Each Called Up (previous year 7.5 called up)	30,000,000	22,500,000
<b>Total Called up Share capital</b>	<b>72,371,400</b>	<b>64,871,400</b>
<b>Less: Calls in arrears</b>		
Calls unpaid by Directors	-	-
Calls unpaid by others**	7,500,000	3,750,000
less: Forfeited 1500000 equity shares @ 5/- per share paid**	7,500,000	-
<b>Total Paid Up Share Capital</b>	<b>57,371,400</b>	<b>61,121,400</b>
	<b>57,371,400</b>	<b>61,121,400</b>

\*Being the amount unpaid by Siddh coal Transport Pvt. Ltd. For 1500000 Equity shares of Rs 2.50 Each called up on 1st and 2nd call but not paid by the applicant

\*\* Being the shares of Siddh coal Transport Pvt. Ltd. forfeited with the approval of BOD dated 28th November, 2018

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
<b>Equity Shares</b>				
At the beginning of period	7,237,140	72,371,400	4,237,140	42,371,400
Add: Shares issued during the year	-	-	3,000,000	30,000,000
Less: Shares forfeited during the year	1,500,000	15,000,000	-	-
<b>Outstanding at the end period</b>	<b>5,737,140</b>	<b>57,371,400</b>	<b>7,237,140</b>	<b>72,371,400</b>

b. Terms/ Rights attached to Equity Shares

Equity Shares: The company has only one class of equity shares having a par value of Rs 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

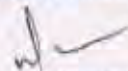
c. Details of shareholder holding more than 5% shares in the company


Particulars	As at Mar 31, 2019		As at March 31, 2018	
	No. of shares	% holding	No. of shares	% holding
<b>Equity Shares of Rs. 10 each fully paid</b>				
Vimal Kumar	445,000	7.76	445,000	6.15
Raj Kumar Alawadhi	470,500	8.20	470,500	6.50
Anand Mohan	275,000	4.79	275,000	3.80
Baldev Madan	500,000	8.72	500,000	6.91
Siddh Coal Transport Pvt. Ltd.	-	-	15,000,000*	20.73*
Vandana Alawadhi	2,575,640	44.89	2,575,640	35.59

d. No Shares have been allotted by way of bonus shares or as fully paid-up pursuant to contract without payment being received in cash during the five years immediately preceding Mar 31, 2019. Further, no shares have been bought back in last year immediately preceding Mar 31, 2019.

For Best Agrochem Private Limited  
  
 Company Secretary

For Best Agrochem Private Limited

  
 Director

For Best Agrochem Private Limited  
  
 Director

Note 2: Reserves and Surplus

Amount in ₹ (Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Reserves and Surplus</b>		
<b>(A) General Reserve-Share Premium</b>		
Opening Balance as per last financial statements	71,157,900	39,282,900
Addition during the year	6,375,000	31,875,000
Deletion: Capital Redemption Reserve	12,750,000	
Closing Balance	64,782,900	71,157,900
<b>(B) Capital Redemption reserve</b>	12,750,000	-
<b>Total Reserve (A+B)</b>	<b>77,532,900</b>	<b>71,157,900</b>
<b>Surplus in Statement of Profit And Loss</b>		
Opening Balance as per last financial statements	56,238,782	34,093,308
Add: Profit for the year	44,411,551	22,145,474
<b>Net Surplus in the statement of Profit And Loss</b>	<b>100,650,333</b>	<b>56,238,782</b>
<b>Total Reserve and Surplus</b>	<b>178,183,233</b>	<b>127,396,682</b>

Note 3: Long Term Borrowings

<b>Secured</b>		
<b>Loan from Banks</b>		
Indian Rupee Term Loan	30,542,612	1,058,526
<b>Unsecured</b>		
Loan from related Party	-	-
Other loans and advances	230,695,127	67,366,382
<b>Total</b>	<b>261,237,739</b>	<b>68,424,908</b>



For Best Agrochem Private Limited For Best Agrochem Private Limited

*[Signature]*  
Director

*[Signature]*  
Director

For Best Agrochem Private Limited  
*Aashi Aeri*  
Company Secretary



**4. Long Term Provisions**

Amount in ₹ (Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Long Term Provisions</b>		
Provision for Employee Benefits	-	
Provision for Gratuity	2,953,383	2,075,730
<b>Total</b>	<b>2,953,383</b>	<b>2,075,730</b>

**5. Other non-current liabilities**

(i) Security deposits from distributors	12,685,646	10,179,963
(ii) Security deposits from C&F Agents	151,000	151,000
<b>Total</b>	<b>12,836,646</b>	<b>10,330,963</b>

**6. Short term borrowings**

<b>Secured</b>		
<b>Working capital loans from banks</b>		
Foreign currency loans	308,510,778	579,895,638
Rupee loans	250,568,781	54,420,538
<b>Total</b>	<b>559,079,559</b>	<b>634,316,176</b>

**7. TRADE PAYABLES**

Letter of credit (LC) obtained from Woorl Bank	32,446,460	-
Indegenius Creditors	1,156,652,041	-
Other Creditors	6,447,941	1,258,329,907
Transporter	2,983,170	
Foreign Creditors	117,385,500	
<b>Total</b>	<b>1,315,915,112</b>	<b>1,258,329,907</b>

\*Note: There are no outstanding dues to Micro, Medium and Small Scale Business Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act has been determined to the extent such parties have been identified on the basis of information available with the Company

**8. OTHER CURRENT LIABILITIES**

(i) Current Maturities of Long Term Borrowing	8,993,391	1,919,040
(ii) Other payables		
Staff salary payable	9,287,931	3,122,317
Director's remuneration payable	1,893,875	574,262
Creditors for expenses	-	-
Statutory Dues Payable	1,225,132	367,590
ESI PF Payable	229,902	-
Advance Received From Customers	-	11,263,734
Others	-	4,607,579
<b>Total</b>	<b>21,630,231</b>	<b>21,854,522</b>

**9. SHORT TERM PROVISIONS**

Provision for short term leaves	-	-
Freight payable	-	-
Audit fees payable	17,000	17,000
Insurance payable	-	-
Electricity & Telephone payable	-	29,005
Provision for employee benefits	448,663	313,979
Income tax payable	-	12,278,319
Provision for bad and doubtful debts	3,397,962	1,048,579
<b>Total</b>	<b>3,863,625</b>	<b>13,686,882</b>

For Best Agrochem Private Limited  
Aashu Arora  
Company Secretary



For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited

*[Signature]*  
Director



10. SCHEDULE OF FIXED ASSETS

BEST AGROCHEM PRIVATE LIMITED  
SCHEDULE OF FIXED ASSETS AS ON 31.3.2019

Particulars	Cost As On 01.04.2018	Additions	Sales	Total Cost	Depreciation as on 01.04.2018	During the year	Dep. On Adjustment	Total Dep During the year	Depreciation as on 31.03.2019	WDV On 31.03.2018	WDV On 31.03.2019
<b>Plant &amp; Machinery.</b>											
Inverter	60,800	-	-	60,800	43,753	4,475	-	4,475	48,232	12,568	17,047
Beverage Mach	21,938	-	-	21,938	18,913	942	-	942	19,855	2,083	3,025
Air Conditioner	569,836	-	-	569,836	327,757	63,237	-	63,237	391,004	179,832	242,059
Counting Machines	39,200	-	-	39,200	38,830	-	-	-	38,830	370	370
Mobile Phone	380,547	265,425	-	646,072	221,537	125,375	-	125,375	346,972	299,160	159,110
RO Kert	16,900	-	-	16,900	12,283	2,081	-	2,081	14,364	2,536	4,617
Projector	89,000	-	-	89,000	55,160	11,726	-	11,726	65,886	22,114	33,840
Sewing Mach	4,410	-	-	4,410	4,366	-	-	-	4,366	42	42
Air Purifier	42,045	-	-	42,045	23,113	8,533	-	8,533	31,646	10,399	18,692
CCTV Camera	27,048	-	-	27,048	9,527	4,536	-	4,536	14,063	12,985	17,521
Cooler	11,000	-	-	11,000	7,650	1,509	-	1,509	9,159	1,841	3,350
<b>Land &amp; Building</b>											
Land	-	31,665,623	-	31,665,623	-	103,698	-	103,698	103,698	31,665,623	31,665,623
Building (Sector 78)	-	7,192,777	-	7,192,777	-	-	-	-	-	7,089,079	7,089,079
<b>Furniture &amp; Fittings</b>											
Furniture	314,068	-	-	314,068	197,719	32,967	-	32,967	220,596	52,502	126,269
<b>Vehicles</b>											
Motor Cycle	76,568	-	-	76,568	68,351	2,786	-	2,786	71,139	5,419	8,207
Truck	1,028,560	1,031,250	-	2,089,810	976,157	79,093	-	79,093	1,055,250	1,034,960	82,403
CAR	27,364,020	38,376,337	10,730,145	52,010,211	19,083,314	5,356,439	1,235,237	6,396,439	25,439,753	25,610,459	8,290,706
<b>Computers &amp; Printers</b>											
SOFTWARE	232,700	62,495	-	295,195	161,312	44,753	-	44,753	208,066	89,130	71,387
COMPUTERS	3,269,064	696,161	-	4,045,225	2,593,436	730,043	-	730,043	3,313,479	731,747	775,628
<b>Trademarks</b>											
CIB Product Registration	-	132,700	-	132,700	-	36	-	36	36	1,32,664	1,32,664
Trademarks	374,000	209,000	-	583,000	63,481	31,109	-	31,109	94,590	486,410	310,519
<b>Grand Total</b>	<b>34,041,814</b>	<b>76,621,768</b>	<b>10,730,146</b>	<b>99,933,436</b>	<b>23,886,672</b>	<b>7,603,244</b>	<b>1,235,237</b>	<b>7,603,244</b>	<b>31,489,916</b>	<b>68,443,522</b>	<b>10,155,142</b>
<b>Previous Year Figures</b>	<b>31,102,415</b>	<b>2,939,398</b>	<b>-</b>	<b>34,041,814</b>	<b>19,077,476</b>	<b>4,809,197</b>	<b>-</b>	<b>4,809,197</b>	<b>23,886,673</b>	<b>10,155,142</b>	<b>12,024,853</b>



For Best Agrochem Private Limited

Director

For Best Agrochem Private Limited

Director

For Best Agrochem Private Limited

Ash Patel

Company Secretary

11. INTANGIBLE ASSETS UNDER DEVELOPMENT

Amount in ₹ (Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade mark under development	-	-
<b>Total</b>	-	-

12. NON-CURRENT INVESTMENTS

NSCI/ FD with Govt. department	75,000	76,000
<b>Total</b>	<b>75,000</b>	<b>76,000</b>

13. LONG TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)

Security deposits	1,455,703	255,944
Income tax refund	-	33,850
<b>Total</b>	<b>1,455,703</b>	<b>289,794</b>

14. OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

Deferred tax assets	1,690,312	1,687,379
<b>Total</b>	<b>1,690,312</b>	<b>1,687,379</b>

14A. OTHER NON-CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

Tender fees	-	1,780,723
<b>Total</b>	-	<b>1,780,723</b>

15. INVENTORY

Stock in trade	651,737,606	495,223,984
<b>Total</b>	<b>651,737,606</b>	<b>495,223,984</b>

16. TRADE RECEIVABLES

Unsecured considered good		
Outstanding for less than 6 months from the date they are due for payment	972,532,919	1,255,296,061
Outstanding for more than 6 months from the date they are due for payment	341,342,102	190,642,153
<b>Total</b>	<b>1,313,875,021</b>	<b>1,453,938,234</b>

17. CASH AND CASH EQUIVALENTS

a) Balance with banks		
i) in Current account	94,430,152	15,860,730
e) Cheques in Hand	26,528,503	32,994,905
b) Bank deposits as margin money	71,591,323	87,407,727
b) Cash in hand	566,189	536,973
<b>Total</b>	<b>193,047,247</b>	<b>131,806,335</b>

18. SHORT TERM LOANS AND ADVANCES

(Unsecured, Considered good, unless otherwise stated)		
Custom duty advance	20,645,993	0,301,021
VAT credit	1,017,500	(68,276)
Advance to staff	-	-
Advances to Branch	-	-
Advance to supplier	-	-
<b>Total</b>	<b>21,663,493</b>	<b>8,332,745</b>

19. OTHER CURRENT ASSETS

Prepaid Expenses	1,267,436	564,198
Provident fund deducted	-	14,641
TCS	87,124	379,673
TDS Recoverable (India Bulls)	-	292,000
TDS refundable	299,000	11,572,050
Tax Refundable	439,057	500,000
Trade Mark Under Process	-	4,689
Advance Tax	7,900	10,338,996
Income Tax Refund Due	36,492,611	70,481,607
Security Paid DLF	84,104,035	-
Interest Accrued on National Certificate	45,337,687	-
Advance to Suppliers	528,174	-
Advance to supplier (T.T)	-	-
GST Input	-	-
Others	-	-
<b>Total</b>	<b>168,583,024</b>	<b>94,347,854</b>



For Best Agrochem Private Limited

Director

For Best Agrochem Private Limited

Company Secretary

For Best Agrochem Private Limited

Director



**20. REVENUE FROM OPERATIONS**

Amount in ₹ (Rupees)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Sale of products	5,352,427,140	4,758,062,775
Branch Transfer	395,405,395	
Total	5,747,832,535	4,758,062,775

**21. OTHER INCOME**

Interest on FDR	3,991,525	3,801,766
Discount Received	-	-
Creditors written off	-	-
Other non-operating income	-	-
Interest Received from Parties	-	-
Exchange Fluctuation Gain	-	3,474,365
Claim Under Damage Material	3,211	-
Short & Excess	-	100
Total	3,994,736	7,276,231

**22. PURCHASE OF STOCK-IN-TRADE**

Purchase of traded goods	5,179,795,985	4,593,945,760
Branch Transfer	395,405,395	
Total	5,575,201,380	4,593,945,760

**23. CHANGE IN INVENTORIES**

Opening stock of traded goods	495,223,984	480,192,795
Less: Closing stock of traded goods	651,737,606	495,223,984
Total	(156,513,622)	(7,031,189)

**24. EMPLOYEE BENEFIT EXPENSES**

Salary & wages ( Including ISI & PF )	51,180,604	41,628,249
Ex-Gratia Payments	500,000	
Director's Remuneration	5,524,600	
Gratuity Provision	1,012,337	
Staff welfare expenses	354,965	153,088
Total	58,580,506	41,781,337

**25. FINANCE EXPENSES**

Interest Expense	34,762,131	1,493,852
Other borrowing cost	13,129,181	20,658,770
Total	47,891,312	22,152,622



For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited

*[Signature]*  
Company Secretary

## 26. OTHER EXPENSES

Amount in ₹ (Rupees)

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Advertisement & Publicity Expenses	1,318,452	1,13,682
Audit Fees	-	170,000
Bad Debts Written off	21,904	325,215
AMC Charges	85,143	-
Computer Repair & Maintenance	421,091	110,214
Insurance	2,569,411	1,600,111
Postage & Courier Expenses	250,450	210,412
Printing & Stationery Expenses	562,223	1,329,249
Sales & Business Promotion Expenses	21,990,302	4,077,390
Vehicle Running & Maintenance Expenses	565,053	600,860
Expenses not Allowable	1,242,276	-
Water & Electricity Expenses	639,700	507,001
Fees & Taxes	228,859	1,154,454
Foreign Exchange Rate Fluctuation	34,892,482	-
Miscellaneous Expenses	1,078,241	623,086
Rent	7,214,071	8,100,537
Ineligible GST	-	-
Interest On Tds Delayed Payment	-	4,450
Interest On Service Tax	-	1,318
Interest on Income tax	-	17,979
Interest on Home Loan	871,242	-
Legal & Professional Expenses	1,243,377	765,200
Lodging and Boarding Expenses	-	-
Repair & Maintenance Expenses	520,968	591,270
Consumable Goods	143,910	-
Prior Period Expense	379,446	-
Misc Amount Written Off	233,387	-
Security Charges	-	150,900
Service Tax on Road Transport	-	75,554
Telephone Expenses	514,874	617,337
Provision for Doubtful Debts	2,349,384	473,539
Vat Not Claimed	-	139,366
Loss On Vehicle	2,604,146	-
Interest on Security	59,252	53,511
Leakage & Breakage Charges	12,311	9,928
Service tax on Service Charges	-	67,844
Short & Excess	-	31,230
Travelling Expenses	28,338,870	19,109,555
Freight & Cartage Expenses	1,964,437	114,326
Conveyance Charges	-	-
Interest on Advance Payment Received	-	-
Loading & Unloading Charges	615,066	613,117
Govt. Late fee, Interest & Penalties	90,651	36,448
General Expenses	204,312	-
Cold Store Contract Charges	9,050	207,120
Commission Paid	5,781,358	3,497,392
Charity & Donation	755,000	53,000
Excise Duty	-	(89,139)
Membership & Subscription Fee	-	27,800
Service Tax On Advertising Services	-	9,684
Service Tax On Freight	-	105,046
Website Development Charges	-	86,000
Local Transportation Expenses	-	1,657,621
C & F Services Charges Expenses	3,135,628	2,677,195
Placement Charges	205,666	20,000
Freight Inward Expenses	19,277,949	16,868,101
Freight Outward Expenses	-	3,650,087
Import Clearing & Forwarding Charges	5,421,446	6,865,312
Total	147,791,380	75,661,126

For Best Agrochem Private Limited  
*Aashi Akash*  
 Company Secretary

For Best Agrochem Private Limited

For Best Agrochem Private Limited

*[Signature]*  
 Director

*[Signature]*  
 Director

**27. EARNING PER SHARE**

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Profit attributable to Equity Shareholders	44,411,551	22,145,475
Weighted Average Number of Equity Shares outstanding during the year	5,737,140	7,237,140
Basic EPS	7.74	3.06
Diluted EPS	7.74	3.06
Nominal value per share	10	10

The Company does not have any outstanding potential dilutive equity shares. Consequently the basic and diluted earning per share of the company remain the same.



For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited

*Aashi Akash*  
Company Secretary



## NOTES FORMING PART OF ACCOUNTS

**I Corporate Information**

Best Agrochem Private Limited (Old Name:- VVK Traders Private Limited) was established on 03/12/2007 with its registered Office S-1A, Bhagwan Dass Nagar, New Delhi-110026, having CIN - U24100DL2007PTC171008.

The company is engaged in wholesale and retail trading of pesticides.

The Key personnel of the company are:

Mr Vimal Kumar, Director (DIN - 01260082)

Mrs Vandana Alawadhi, Director (DIN - 01831191)

Mr Subodh Kumar, Director (DIN - 06874755)

Mr Shuvendu kumar Satpathy, Director (DIN -7552741)

Ms. Aarti Arora, Company Secretary (18966)

**II Significant Accounting Policies****1) BASIS OF ACCOUNTING**

The Books of accounts of the Company are maintained on accrual basis, under historical cost convention. The books of Accounts of the Company are maintained as per GAAPs in India. GAAP comprises of mandatory accounting standards as prescribed under Section 133 of the Companies Act 2013, read with Companies Accounts Rules, 2014.

Separate sets of books of accounts are maintained at the Branch.

Transaction between Branch and Head Office are recorded as a separate entity and inter-branch transactions and balances are eliminated in consolidation of books of branch and head office.

**1A) USE OF ESTIMATES**

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect reported amount of revenues and expenses during the reported period and reported amount of assets and liabilities and disclosures of contingent liabilities on the date of financial statements. Actual results may differ from these estimates. Difference between actual results and estimates are recognised in the periods in which results materialised.

**2) INVENTORIES**

Inventories are valued at cost or net realizable value whichever is lower after providing for obsolescence. Cost of inventories comprises of cost of purchase, cost of conversion and overheads incurred in bringing them to their present location and condition. Cost in respect of inventories are ascertained on First-in-first out (FIFO) basis.

**3) CASH FLOW STATEMENT**

The Company is preparing the cash flow statement which classifies cash flows during the period from operating, investing and financing activities.

**4) CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE**

There are no major contingencies and events which have occurred after the balance sheet date.

**5) NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES**

Significant items of Income or Expenditure, which relates to the prior accounting periods and have not been recorded in the respective periods due to error or omissions, are accounted in the Profit and Loss Account under the head "prior year Adjustments" other than those occasioned by the events occurring during or after the close of the year and which are treated as relating to the current year.

**6) REVENUE RECOGNITION**

The revenue of the Company is derived from trading in pesticides. The revenue is when the risk and return are transferred to the buyer and the realisation of the same is certain, as prescribed by Accounting Standard 9, keeping in mind the nature of services provided by the Company. Interest Income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

Sales are recorded exclusive of Goods & Service Tax (GST)

Purchases are exclusive of Goods & Service Tax (GST)

**7) Plant Property and Equipment**

As per the requirements of AS-10 (Revised), company has opted for the "Cost Model". Under the revised standard the following steps are followed by the company in respect of the tangible assets

-**Recognition**- Probable future economic benefits associated will flow in the future and cost can be measured reliably

-**Measurement**- Initial cost and Subsequent Cost are measured as per the cost model

-**Depreciation**- Depreciation on Fixed Assets has been provided on Written Down value of assets. The rates of Depreciation have been determined on the basis of life of assets and residual values as per provisions of Schedule II of Companies Act 2013.

-**Derecognition**- The asset is derecognized from the books on disposal or retirement from active use and the difference between the carrying amount and sale amount is recognized in Statement of Profit and Loss.

-**Transition**- The company has recognized the tangible fixed assets as per the transitional requirements of the Standard and there is no impact of the transitional requirements on the company's financials.

**8) FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of the transactions.

Foreign currency monetary items on the balance sheet date, if any, are restated at the rate of exchange prevailing on the balance sheet date or at the forward contract rate as the case may be.



For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited

*[Signature]*  
Company Secretary

For Best Agrochem Private Limited

*[Signature]*  
Director



Exchange differences are adjusted in profit & loss account except differences in respect of fixed assets, if any, are to be dealt in conformity with Accounting Standards issued by ICAI or law prevailing at that time

**9) ACCOUNTING FOR INVESTMENTS**

Investments are classified as Current or Long Term Investment on the basis of nature and intention to hold the investment.

Long term investments are value at cost after appropriate adjustments, if necessary, for permanent decline.

Current investments are stated at lower of cost or fair value.

There is no investment as on March 31, 2019 except fixed deposits and National Saving Certificate.

**10) EMPLOYEE BENEFITS**

The Company is providing provision for gratuity as per actuarial report obtained from authorised entity (Chart enclosed)

**11) BORROWING COST**

Borrowing cost on working capital is charged against the profit & loss account in which it is incurred.

Interest on buyer's credit loan is recognised when it is charged by the respective bank(s).

Borrowing costs that are attributable to the acquisition or construction or manufacture of qualifying assets are capitalized as a part of the cost of such assets till the date of acquisition or completion of such assets. In respect of suspended project for extended period, borrowing costs are not capitalized for such period.

**12) LEASES**

The Company has taken/transfer in its name property no. C-2 Industrial Area, UPSIDC, Gajraula II, Amroha, UP, PIN-244235.

**13) EARNING PER SHARE**

Basic Earning Per Share is calculated by dividing the net profit after tax by weighted average number of equity shares outstanding during the year.

Diluted Earning per share is calculated by dividing the profit after tax considering the effect of dilutive potential equity shares on earnings by the weighted average number of equity shares after taking the effect of dilutive potential equity shares.

**14) ACCOUNTING FOR TAXES ON INCOME**

The tax expense comprises of current tax and deferred taxes. The amount of current tax represents the amount of Income tax calculated as per provisions of Income Tax Act, 1961. Deferred Tax resulting from timing difference between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred Tax asset is recognized only if there is a reasonable/virtual certainty that the same will be realized and are reviewed for the appropriateness of its carrying values at each balance sheet date.

The Company had recognised Deferred tax asset in regard to timing difference on account of difference in depreciation on assets as per Companies Act 2013 and Income Tax Act and provision for gratuity (including prior period item).

**15) INTANGIBLE ASSETS**

The company has recognized the intangible fixed assets as per the transitional requirements of the Standard

For Depreciation refer point no. 7

**16) IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss, if any in the prior accounting period is reversed if there is a change in the estimate of the recoverable amount.

There is no impairment of Assets held during the reported financial Year.

**17) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

**PROVISIONS**

The Company is required to recognise provisions in regard to past events, that result in a present obligation.

The company is also making provision at the rate of five percent of sundry debtor's brand amount outstanding for more than one year as provision for bad debts. The company has also filed suits for recovery of amount due from sundry debtors in 43 cases amounting to Rs 107,51,161. The company is of opinion that no separate provision is required to be made for the same, as the company has already written off the unrecoverable amount & made provision for bad debts at the rate of five percent for amount outstanding for more than 250 days.

**CONTINGENT LIABILITIES**

A contingent Liability is a present obligation that arises out of past events and the existence of which will be confined only by the occurrence and non-occurrence of one or more uncertain future events not wholly within the control of the Company.

The Company has contingent liability in respect of FLC and ILC issued amounting to Rs. 4843.83.758 as on 31.03.2019.

**18) FOLLOWING ACCOUNTING STANDARDS ARE NOT APPLICABLE TO THE COMPANY**

Construction contracts

Government Grants

Accounting for Amalgamations

Consolidated Financial Statements

Accounting for Investments in Associates

Discontinuing Operations

Financial Reporting of Interests in Joint Ventures

For Best Agrochem Private Limited

*Aashi Akals*  
Company Secretary

For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited

*[Signature]*  
Director



**BEST AGROCHEM PRIVATE LIMITED**

**NOTE TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**19) PROVISIONS**

The Company is required to recognise provisions in regard to past events, that result in a present obligation, which can reasonably estimated, likely to result in outflow of resources in future.

The amount of provisions is not discounted and the amount is based upon the best possible estimate. These estimates are reviewed at each reporting date and adjusted to reflect best possible estimate. In regard to the same the Company has recognised following provisions

Particulars	Balance at the beginning	Additions during the year	Amount used during the year	Balance at the end
<b>Long term</b>				
Provision for employee benefits	2,075,730	877,653	-	2,953,383
<b>Short term</b>				
Provision for employee benefits	313,979	134,684	-	448,663

**20) SEGMENT REPORTING**

The Company has identified business segments as its primary segment. Business segments are primarily **Retail** and **Wholesale**. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary segments

Particulars	For the year ended 31 March, 2019		
	Business segments		Total
	Retail	Wholesale	
Revenue	1,158,478,498	4,589,354,036	5,747,832,534
Inter-segment revenue	-	-	-
<b>Total</b>	<b>1,158,478,498</b>	<b>4,589,354,036</b>	<b>5,747,832,534</b>
Operating income	(22,873,497)	90,151,824	67,278,327
Other income (net)	5,335	3,989,401	3,994,736
Profit before taxes	(22,868,162)	94,141,225	71,273,063
Tax expense			28,861,512
Net profit for the year			44,411,551



For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited

*[Signature]*  
Company Secretary



**BEST AGROCHEM PRIVATE LIMITED**  
**NOTE TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019**

**21) EMPLOYEE BENEFITS**

Particulars	Year ended 31st March 2019	Year ended 31st March 2018
<b>(a) Defined Contribution Plan</b>		
Amount recognised in the statement of Profit and Loss		
(i) Provident Fund - employer contribution	1,201,340	953,223
<b>Total</b>	<b>1,201,340</b>	<b>953,223</b>
<b>(b) Defined Benefit Plan comprise of following</b>		
(i) Gratuity (Non-Funded) - Payable to employees on retirement as per terms of employment. Amount recognised as per actuarial valuation.		
<b>Present value of unfunded obligations - Opening balance</b>	<b>2,389,709</b>	<b>1,630,576</b>
<b>The Net amount recognized in the statement of Profit &amp; Loss is as follows</b>		
Current Service cost	790,999	669,248
Interest cost	181,618	114,140
Net actuarial loss/(gain) recognized	39,720	(24,255)
Benefits Paid		
<b>Present value of unfunded obligations - Closing balance</b>	<b>3,402,046</b>	<b>2,389,709</b>
<b>The principal actuarial assumptions for Gratuity used are as follows:</b>		
	<b>Year ended</b>	<b>Year ended</b>
	<b>31st March 2019</b>	<b>31st March 2018</b>

Discount Rate

Rate of increase in Compensation Levels

The discount rate is determined by reference to market yield at the Balance Sheet date on government bonds. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment



For Best Agrochem Private Limited

*[Signature]*  
Director

For Best Agrochem Private Limited  
*[Signature]*  
Director

For Best Agrochem Private Limited

*[Signature]*  
Company Secretary



22) Disclosure as required under "The Micro, Small and Medium Enterprises Development Act, 2006", based on the information available with the Company:

S No.	Disclosure Requirement	Year ended 31st March 2019	Year ended 31st March 2018
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
4	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	Nil	Nil
7	Further interest remaining due and payable for earlier years	Nil	Nil

**23) PREVIOUS YEARS FIGURES**

Previous year figures have been regrouped / reclassified, where necessary to conform to current year's presentation / classification to comply

**24) FINANCIAL DERIVATIVES AND COMMODITY HEDGING TRANSACTIONS**

The Company is neither engaged in any hedging transaction nor is dealing in financial derivatives.

**25) RELATED PARTY DISCLOSURES AS PER ACCOUNTING STANDARD 18 - 'RELATED PARTIES'**

**i) Relationship where control exists**

**Key Managerial Personnel (KMP)**

- Mr. Vimal Kumar (DIN - 01260002) Director
- Mrs. Vandana Alawadi (DIN - 01031191) Director
- Mr Subodh Kumar (DIN - 06874755) Director
- Mr Shivendu kumar Satpathy, Director (DIN -7552741) Director
- Ms. Aarti Arora (18206) Company Secretary

**ii) The following transactions were carried out with KMP's in the ordinary course of business**

Particulars	Nature of relationship	Year ended 31st March 2019	Year ended 31st March 2018
Remuneration to Mr Vimal Kumar	KMP	2,400,000	1,680,000
Remuneration to Mrs Vandana Alawadi	KMP	2,100,000	1,440,000
Remuneration to Mr Subodh Kumar	KMP	374,600	312,000
Remuneration to Mr S.K. Satpathy	KMP	650,000	
Remuneration to Ms. Aarti Arora	KMP	385,000	29,516
Rest of office payable to Mr Vimal Kumar	KMP	600,000	600,000
Part of office payable to Mrs Vandana Alawadi	KMP	-	280,000
Loan due to Director Vimal Kumar	KMP	150,000	
Purchase from Best Crop Science LLP	Vimal kumar is designated partner in LLP	65,936,363	468,197,307

As per our report of even date attached

In terms of our report of even date attached  
For and on Behalf of



**Piyush Wadhwa**  
Practitioner  
M.No. 534902  
Date: 27.03.2019  
Place: New Delhi



**BEST AGROCHEM PRIVATE LIMITED**  
**Additional Disclosures to Profit & Loss**  
**Financial Year 2018-19**

In ₹ (Rupees)

PARTICULARS		Current Year	Previous Year
1	<b>PAYMENT TO THE AUDITORS AS</b>		
	Auditor	50,000	50,000
	For taxation matters	-	-
	For company law matters	-	-
	For management services	-	-
	For other services	25,000	-
	For reimbursement of expenses	-	-
	<b>TOTAL</b>	<b>75,000</b>	<b>50,000</b>
2	<b>VALUE OF IMPORTS CALCULATED ON C.I.F BASIS BY THE COMPANY DURING THE FINANCIAL YEAR IN RESPECT OF</b>		
	Material Pesticides	886,525,006	870,885,965
	Components and spare parts	-	-
	Capital goods	-	-
	<b>TOTAL</b>	<b>886,525,006</b>	<b>870,885,965</b>
3	<b>EXPENDITURE IN FOREIGN CURRENCY DURING THE FINANCIAL YEAR ON ACCOUNT OF INTEREST PAID ON BUYERS CREDIT</b>	9,042,323	5,916,861



For Best Agrochem Private Limited

*[Signature]*  
 Director

For Best Agrochem Private Limited

*[Signature]*  
 Director

For Best Agrochem Private Limited

*[Signature]*  
 Company Secretary





## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF  
BEST AGROCHEM PRIVATE LIMITED.**

### **I. Report on the Audit of the Standalone Financial Statements**

#### **1. Opinion**

- A. We have audited the accompanying Standalone Financial Statements of BEST AGROCHEM PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").
- B. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date

#### **2. Basis for Opinion**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

#### **3. Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### **4. Information Other than the Standalone Financial Statements and Auditor's Report Thereon**





Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon

- B. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## **5. Management's Responsibility for the Standalone Financial Statements**

- A. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- B. In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

## **6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

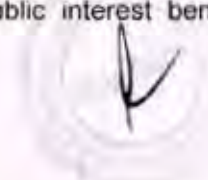
- A. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material





misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
  - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
  - iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
  - v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation
- C. Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in
- i) planning the scope of our audit work and in evaluating the results of our work; and
  - ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
- D. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication





## II. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - C. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account
  - D. In our opinion, the aforesaid standalone financial statements comply with the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
  - E. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - F. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
  - G. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - H. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements
    - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.





2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place of Signature: New Delhi

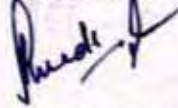
Wadhwa & Associates

**Chartered accountant**

Date: 27/08/2019

**(Firm's Registration No: 028301N)**

**Prince Wadhwa**



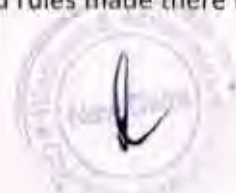
(Membership No: 534982)

UDIN NO:19534982AAAAAP8651

## **Annexure-A to the Independent Auditors' Report**

This is the Annexure referred to in our report to the members of Best Agrochem Private Limited ("the Company") for the year ended on March 31, 2019. We hereby report that:

- i. In respect of its fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- ii. The inventory has been physically verified by the management/bank auditors during the year. In our opinion and explanation given to us, the procedure of physical verification of inventories followed by the company are reasonable and adequate in relation to the size of the company and nature of its business. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification in relation to the size of the company and nature of its business.
- iii. The company has not granted any loans, secured or unsecured, to companies, firms or other parties to be covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause (iii) of paragraph 3 of order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of the section 185 and 186 of the act with respect to the loans and the investment made.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of order are not applicable to the Company.
- vi. The Company is not required to maintain cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1)(d) of the Companies Act, 2013. Therefore, the provisions of Clause (vi) of paragraph 3 of order are not applicable to the Company.
- vii. In respect of statutory dues:
  - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable.
  - b) There are no disputed dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, which have not been deposited as on March 31, 2019.
  - c) According to the records of the Company, there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under.





- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Banks, Financial Institutions and Government. The company does not have any dues to debenture holders during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Therefore, the provisions of Clause (xi) of paragraph 3 of order are not applicable to the Company.
- x. In our opinion and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.
- xi. The company is private limited company hence provision of section 197 read with Schedule V of the companies Act are not applicable.
- xii. In our opinion and according to the information and explanations given to us, the company is not a nidhi company.
- xiii. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the company, transactions with related parties are in compliance with sections 177 and 188 of the act where applicable and details of such transaction has been disclosed in the financial statement as required by the applicable accounting standard.
- xiv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable. However the company has forfeited share application money due to non payment of share call money during the year.
- xv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non- cash transaction with directors or person connected with him. Therefore, the provisions of Clause (xv) of paragraph 3 of order are not applicable to the Company.
- xvi. The company is not required to be registered under section 45-1A of the Reserve Bank of India

Place of Signature: New Delhi

Date: 27/08/2019

Wadhwa & Associates

Chartered accountant  
(Firm's Registration No: 028301N)

  
Prince Wadhwa

(Membership No: 534982)  
UDIN NO: 19534982AAAAAP8651





## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013. I have audited the internal financial controls over financial reporting of BEST AGROCHEM PRIVATE LIMITED. as on March 31, 2019 in conjunction with my audit of the consolidated financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

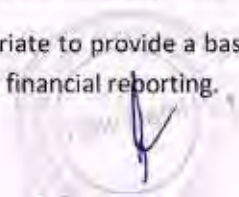
### **Auditors' Responsibility**

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Audit Report on Internal Financial Controls 168 Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**





A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

According to the information and explanation given to us and test checks as per guidelines applicable in India there is an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the company, considering the essential components of internal control stated in the Guidance Note.

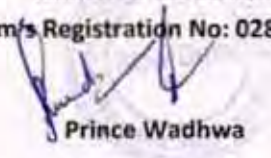
Place of Signature: New Delhi

Date: 27/08/2019

Wadhwa & Associates

**Chartered accountant**

**(Firm's Registration No: 028301N)**



**Prince Wadhwa**

(Membership No: 534982)  
UDIN NO: 19534982AAAAAP8651





**GOYAL NAGPAL & CO**

**CHARTERED ACCOUNTANTS**

**OFFICE : 20 - A Street No. 6, Dheeraj Vihar, Karala NEW DELHI-110085**

**OFFICE NO. 9811952775**

**EMAIL : goyalnagpal01@gmail.com**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SAHYOG MULTIBASE LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of Sahyog Multibase Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. During the year company has been submitted an application before BSE for No Objection for consolidation of the business with M/s Best Agrochem Private Limited w.e.f. 01st April, 2018. The Company has received approval from BSE. Company has also provided Inter corporate Deposits to the Transferee Company subject to scheme of merger in NCLT.
2. The Company Tavares Tradelink Pvt. Ltd. ceased to be subsidiary on 30.06.2018 and currently management does not have any representation on the board of directors and governing body, Hence not classified as an Associate for the purpose of Ind AS 28.





3. The company is holding more than 20% of M/s Value Industries Asia Pte Ltd in Singapore company but as per management company does not have power to participate in the decision making process of the foreign entity and hence not classified as an associate for the purpose of Ind AS 28.
4. The company has applied share application money amounting to Rs 7,15,82,060/- as on 31/03/2019 to M/s Fortune JC Industries PTE Ltd in Singapore . The Equity shares has not been allotted to company till reporting date. Management is expected to recover the share application money within the financial year 2019-20.

#### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.





## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

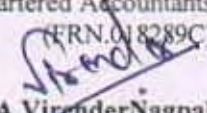
1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the IndAS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. However there has been an excess payment of remuneration of Rs. 1,20,000/- to Mr. Vishesh Gupta waiver of the same and revision of his remuneration has already been approved by the Board and is being taken for shareholders' approval at the ensuing Annual General Meeting.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.



- ii. There are no material foreseeable losses on long term contracts including derivative contracts therefore, no such provision is required to be made.
  - iii. There have been no requirements of transferring amounts to the Investor Education and Protection Fund of India by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For GOYAL NAGPAL & CO.  
Chartered Accountants  
(FIRN.018289C)

  
CA Virender Nagpal  
Partner

(Membership No.416004)



Place: New Delhi  
Dated: May30, 2019



## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sahyog Multibase Limited of even date)

### **Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **SAHYOG MULTIBASE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### **Meaning of Internal Financial Controls Over Financial Reporting**





A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **GOYAL NAGPAL & CO.**  
Chartered Accountants  
(FRN/018289C)



*Virender*  
CA Virender Nagpal  
Partner

(Membership No.416004)

Place: New Delhi  
Dated: May30, 2019



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sahyog Multibase Limited of even date)

- i. In respect of the Company's fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us and based on the examination of the unregistered sale deed and other documents provided to us, we report that title deeds comprising all the freehold immovable properties of land and building are held in the name of the Company.
  
- ii. In respect of the Company's Inventories:
  - (a) The management of the Company has conducted the physical verification of inventory at reasonable intervals during the year.
  - (b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.
  - (c) The Company has maintained proper records of inventory and no material discrepancies were noticed on physical verification.
  
- iii. The Company has not granted any loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act subject to Point No. 1 reported in Key Audit matters .
  
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
  
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.





- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is not regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, GST and other material statutory dues with the appropriate authorities.
- (b) According to the records of the company, the dues outstanding of employees' state insurance, income-tax, sales-tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues ,on account of any dispute are as follows

S. No.	Period of Demand	Amount Involved	Particulars of demand	Appeal pending before
1	A.Y. 2012-13	Rs.14,90,130/-	Income Tax Appeal.	CIT (A) Kolkatta
2	A.Y. 2018-19	Rs. 20,00,000/-	Custom Department	Customs (Appeal), New Delhi

- viii. In our opinion and according to the information and the explanations given to us the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us ,the Company has paid/provided managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Act. However there has been an excess payment of remuneration of Rs. 1,20,000/- to Mr. Vishesh Gupta waiver of the same and revision of his remuneration has already been approved by the Board and is being taken for shareholders' approval at the ensuing Annual General Meeting.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement



of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **GOYAL NAGPAL & CO.**  
Chartered Accountants  
(FRN.018289C)



*Virender*  
CA Virender Nagpal  
Partner

(Membership No.416004)

Place: New Delhi  
Dated: May30, 2019



**SAHYOG MULTIBASE LIMITED**  
(Formerly Known as Sahyog Credits Limited)  
CIN NO.: L74110DL1992PLC116773  
Balance Sheet as at March 31, 2019

(Amount in Rs.)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b>1 Non - Current Assets</b>			
a) Property, Plant and Equipment	3(a)	1,897,951	2,308,486
b) Other Intangible assets	3(b)	3,892	3,892
c) Financial assets			
(i) Investments	4	35,476,374	34,201,914
(ii) Loans and Advances	5	123,918,898	-
d) Non Current Tax Asset (Net)	10	3,746,826	2,675,026
e) Other Non Current Assets	6	40,737,943	-
<b>Total Non-Current Assets</b>		<b>205,781,884</b>	<b>39,189,318</b>
<b>2 Current Assets</b>			
a) Inventories	7	90,569,250	106,645,384
b) Financial Assets			
(i) Trade receivables	8	739,585,862	302,694,577
(ii) Cash and cash equivalents	9(a)	7,096,214	1,800,647
(iii) Bank Balances other than (ii) above	9(b)	5,629,710	1,243,446
(iv) Loans and Advances	5	255,355,579	79,214,653
c) Other Current Assets	6	133,932,364	213,294,491
		1,232,168,979	704,893,198
d) Assets held for sale	4	71,582,060	71,582,060
<b>Total Current Assets</b>		<b>1,303,751,039</b>	<b>776,475,258</b>
<b>Total Assets</b>		<b>1,509,532,923</b>	<b>815,664,576</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
a) Equity Share Capital	11	79,760,715	79,760,715
b) Other Equity	12	426,998,975	432,655,321
<b>Total Equity</b>		<b>506,759,690</b>	<b>512,416,036</b>
<b>2 Liabilities</b>			
<b>Non - Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	13	15,767,727	83,311,364
<b>Total Non-Current Liabilities</b>		<b>15,767,727</b>	<b>83,311,364</b>
<b>3 Current Liabilities</b>			
a) Financial Liabilities			
(i) Borrowings	13	298,696	137,617
(ii) Trade payables	15		
Due to Micro and Small enterprises		-	-
Due to Others		861,521,040	182,788,340
(iii) Others	14	557,937	32,336,899
b) Other current liabilities	16	122,851,832	1,998,319
c) Income tax liabilities (Net)	17	1,776,001	2,676,001
<b>Total Current Liabilities</b>		<b>987,005,506</b>	<b>219,937,176</b>
<b>Total Equity and Liabilities</b>		<b>1,509,532,923</b>	<b>815,664,576</b>

The accompanying notes 1 to 10 form an integral part of the standalone financial statements.

As per our report of even date

For Goyal Nagpal & Co.

Chartered Accountants

Firm Reg. No. 018289C

CA Virender Nagpal

Partner

Membership No. 416004

Place: New Delhi

Dated: 30/05/2019



For and on behalf of the Board of  
Sahyog Multibase Limited

Ghanshyam Prasad Gupta

Director

(DIN: 00287019)

Shrawan Kumar  
Himanshi Negi  
(Company Secretary)

Vishesh Gupta

Director

(DIN: 00255689)

Shrawan Kumar Prasad  
(Chief Financial Officer)



**SAHYOG MULTIBASE LIMITED**  
(Formerly Known as Sahyog Credits Limited)  
CIN NO.: L74110DL1992PLC116773

Statement of profit and loss for the year ended March 31, 2019

(Amount in Rs.)

Particulars	Notes	March 31, 2019	March 31, 2018
I Revenue from operations	18	1,277,664,076	1,291,846,839
II Other income	19	39,935,313	43,287,959
<b>III Total revenue (I + II)</b>		<b>1,317,599,389</b>	<b>1,335,134,798</b>
<b>IV Expenses:</b>			
Purchases of Stock in trade	20	1,275,619,857	1,333,020,932
Change in inventories	21	16,076,134	(27,402,274)
Employees benefit expenses	22	4,274,580	5,816,590
Finance costs	23	14,157,728	9,659,857
Depreciation and amortisation expenses	24	410,535	1,497,843
Other expenses	25	5,003,773	9,770,345
<b>Total expenses (IV)</b>		<b>1,315,542,606</b>	<b>1,332,363,293</b>
<b>V Profit before Tax (III - IV)</b>		<b>2,056,783</b>	<b>2,771,505</b>
<b>VI Tax expense:</b>			
Current tax	26	987,409	900,000
Deferred Tax Liability/(Asset)	10	103,374	(238,052)
<b>Total tax expense</b>		<b>1,090,783</b>	<b>661,948</b>
<b>VII Profit for the year (V - VI)</b>		<b>966,000</b>	<b>2,109,557</b>
<b>VIII Other comprehensive Income (OCI)</b>			
(i) Remeasurement gain (loss) on Financial Instruments		(7,533,170)	33,894,955
(ii) Tax relating to items that will not be reclassified to profit or loss		1,175,175	(10,473,541)
<b>IX Other comprehensive Income for the year, net of tax</b>		<b>(6,357,995)</b>	<b>23,421,414</b>
<b>X Total comprehensive Income for the year</b>		<b>(5,391,996)</b>	<b>25,530,971</b>
<b>XI Earnings per share (of Rs. 10 each):</b>			
Basic	27	0.12	0.26
Diluted	27	0.12	0.26


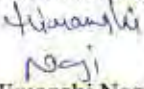
The accompanying notes 1 to 40 form an integral part of the standalone financial statements.

As per our report of even date  
For Goyal Nagpal & Co.  
Chartered Accountants  
Firm Regn. No.018289C

For and on behalf of the Board of  
Sahyog Multibase Limited

  
CA Virender Nagpal  
Partner  
Membership No. 416004  
Place: New Delhi  
Dated: 30/05/2019



  
Ghanshyam Prasad Gupta  
Director  
(DIN: 00287019)  
  
Himanshi Negi  
(Company Secretary)

  
Vishesh Gupta  
Director  
(DIN: 00255689)  
  
Shrawan Kumar Prasad  
(Chief Financial Officer)

**SAHYOG MULTIBASE LIMITED**  
(Formerly Known as Sahyog Credits Limited)  
CIN NO.: L74110DL1992PLC116773

Statement of Cash Flow for the year ended March 31, 2019

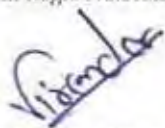
(Amounts in Rupees)

Particulars	March 31, 2019	March 31, 2018
<b>Cash flows from operating activities</b>		
Total Profit before Tax for the year	2,056,783	2,771,505
Adjustments for		
Depreciation and amortization	410,535	1,497,843
Interest income	(9,839,607)	(1,250,810)
Dividend Income	(1,160)	(67,662)
Finance Costs	14,157,728	9,659,857
Profit on sale of Fixed Assets	-	(208,508)
Profit on sale of Investments	(19,562,759)	(18,248,076)
<b>Operating profit before working capital changes</b>	<b>(12,778,480)</b>	<b>(5,845,851)</b>
<b>Movements in working capital:</b>		
Inventories	16,076,134	(27,402,274)
Trade receivables	(436,891,285)	(105,827,527)
Other Financial and Non financial Assets	(304,446,088)	(51,041,663)
Other current and Non Current Assets	38,624,184	(3,174,828)
Financial borrowings	161,079	137,617
Trade payables	678,732,700	(8,120,757)
Other financial liabilities	(31,778,962)	(1,243,446)
Other current liabilities	120,853,513	(1,99,710,949)
<b>Cash generated from/ (used in) operations</b>	<b>68,552,794</b>	<b>(352,229,678)</b>
income taxes (paid)/Refund (net)	1,191,783	147,433
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>67,361,011</b>	<b>(352,082,245)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of Fixed Assets	-	832,688
Proceeds from sale of Investments	74,560,145	296,568,064
Purchase of Fixed Assets	-	(2,027,558)
Purchase of Investments	(63,805,016)	-
Dividend Income	1,160	67,662
Interest income	9,839,607	1,250,810
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>20,595,896</b>	<b>246,691,666</b>
<b>Cash flows from financing activities</b>		
Repayment of Long Term Borrowings	(67,543,637)	83,311,364
Remeasurement gain (loss) on Financial Instruments	-	53,894,955
Issue of share capital	-	(2,343,383)
Finance cost	(14,157,728)	(9,659,857)
Dividend paid (including Dividend distribution tax)	(959,977)	(361,620)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(82,661,342)</b>	<b>104,841,459</b>
Net decrease in cash and cash equivalents	5,295,566	(549,120)
Cash and cash equivalents at the beginning of the year (refer note 9)	1,800,647	2,349,767
Cash and cash equivalents at the end of the year (refer note 9)	7,096,213	1,800,647

The accompanying notes 1 to 40 form an integral part of the standalone financial statements.

As per our report of even date

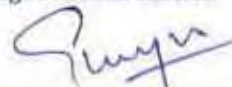
For Goyal Nagpal & Co.  
Chartered Accountants  
Firm Regn. No.018289C



CA Virender Nagpal  
Partner  
Membership No. 416004  
Place: New Delhi  
Dated: 30/05/2019

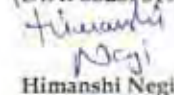


For and on behalf of the Board of  
Sahyog Multibase Limited



Ghanshyam Prasad Gupta  
Director

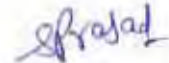
(DIN: 00287019)

  
Himanshi Negi

(Company Secretary)



Vishesh Gupta



Shrawan Kumar Prasad  
(Chief Financial Officer)



Statement of changes in equity for the year ended March 31, 2019

A. Equity share capital

Equity shares of Rs. 10 each issued, subscribed and fully paid up

As at March 31, 2018	79,760,715
Changes in equity share capital	-
As at March 31, 2019	79,760,715

B. Other equity

Particulars	Reserves and surplus			Total other equity
	Capital Reserve	Security Premium	Retained earnings	
Balance as at April 1, 2017	333,671,306	102,823,125	(29,008,461)	407,485,970
Profit for the year	-	-	2,109,557	2,109,557
Other comprehensive income, net of income tax	-	-	23,421,414	23,421,414
Provision for Proposed Dividend	-	-	(306,000)	(306,000)
Current year transfer	-	-	(55,620)	(55,620)
Balance as at March 31, 2018	333,671,306	102,823,125	(3,839,110)	432,655,321
Profit for the year	-	-	966,000	966,000
Other comprehensive income, net of income tax	-	-	(6,357,995)	(6,357,995)
Dividend paid during the year	-	-	(797,604)	(797,604)
Dividend Distribution Tax on Dividend Payable	-	-	(162,373)	(162,373)
Excess Provision made of Pervious year Income Tax	-	-	695,626	695,626
Balance as at March 31, 2019	333,671,306	102,823,125	(9,495,456)	426,998,975

The accompanying notes 1 to 40 form an integral part of the standalone financial statements.

As per our report of even date

For Goyal Nagpal & Co.

Chartered Accountants

Firm Regn. No.018289C

CA Virender Nagpal

Partner

Membership No. 416004



Place: New Delhi

Dated: 30/05/2019

For and on behalf of the Board of Sahyog Multibase Limited

*Ghanshyam Prasad Gupta*

Ghanshyam Prasad Gupta

Director

(DIN: 00287019)

*Himanshi Negi*

Himanshi Negi

(Company Secretary)

*Vishesh Gupta*

Vishesh Gupta

Director

(DIN: 00255689)

*Shrawan Kumar Prasad*

Shrawan Kumar Prasad

(Chief Financial Officer)



Note No(a) - Property Plant and Equipment

(Amount in Rs.)

Particulars	Free hold Building	Furniture, Fitting and equipment	Plant and Machinery	Computers	Motor Vehicles	Total
<b>Year ended 31st March 2018</b>						
Gross carrying amount						
Opening gross carrying amount	-	12,350	1,009,403	107,700	4,864,247	5,993,700
Additions	850,000	-	-	-	1,177,558	2,027,558
Assets classified as held for sale	-	-	-	-	-	-
Disposals	-	-	-	-	(3,814,364)	(3,814,364)
Closing gross carrying amount	850,000	12,350	1,009,403	107,700	2,227,441	4,206,894
Accumulated depreciation and Impairment						
Opening accumulated depreciation	-	8,061	-	96,064	3,486,625	3,590,750
Depreciation charge during the year	-	1,110	58,644	7,349	609,117	676,220
Impairment loss	-	-	821,623	-	-	821,623
Disposals	-	-	-	-	(3,398,694)	(3,398,694)
Profit on disposal of assets	-	-	-	-	208,509	208,509
Closing accumulated depreciation and Impairment	-	9,171	880,267	103,413	905,557	1,898,408
Net Carrying amount 31.03.2018	850,000	3,179	129,136	4,287	1,321,884	2,308,486
<b>Year ended 31st March 2019</b>						
Gross carrying amount						
Opening gross carrying amount	850,000	12,350	187,780	107,700	2,227,441	4,206,894
Additions	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Closing gross carrying amount	850,000	12,350	187,780	107,700	2,227,441	4,206,894
Accumulated depreciation and Impairment						
Opening accumulated depreciation	-	9,171	58,644	103,413	905,557	1,898,408
Depreciation charge during the year	41,395	823	23,374	2,708	342,236	410,535
Closing accumulated depreciation and Impairment	41,395	9,994	82,018	106,121	1,247,793	2,308,943
Net Carrying amount 31.03.2019	808,605	2,356	105,762	1,579	979,648	1,897,951



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*Hiranandhi Nagji*

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Note 3(b) - Other Intangible Assets

(Amount in Rs.)

Particulars	Computer Software	Total
<b>Year ended 31st March 2018</b>		
Gross carrying amount		
Opening gross carrying amount	18,000	18,000
Additions	-	-
Disposals	-	-
Closing gross carrying amount	18,000	18,000
<b>Accumulated amortization and Impairment</b>		
Opening accumulated depreciation	14,108	14,108
amortization charge during the year	-	-
Closing accumulated amortization and Impairment	14,108	14,108
Net Carrying amount 31.03.2018	3,892	3,892
<b>Year ended 31st March 2019</b>		
Gross carrying amount		
Opening gross carrying amount	18,000	18,000
Additions	-	-
Closing gross carrying amount	18,000	18,000
<b>Accumulated amortization and Impairment</b>		
Opening accumulated amortization	14,108	14,108
amortization charge during the year	-	-
Closing accumulated amortization and Impairment	14,108	14,108
Net Carrying amount 31.03.2019	3,892	3,892

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Note 4. Financial assets - Investments	Number of shares				in Rupees	
	Nominal Value per unit	As at 31-Mar-2019	As at 31-Mar-2018	As at 31-Mar-2019	As at 31-Mar-2018	
<b>Quoted Investments (Fully Paid)</b>						
Rushil Decor Ltd.	10	2,320	2,320	1,082,767	1,833,218	
Vikas Ecotech Limited	1	922,992	4,996	10,522,109	146,633	
<b>Total aggregate quoted investments [A]</b>				<b>11,604,876</b>	<b>1,979,850</b>	
<b>Unquoted Investments (at amortised cost)</b>						
Bhargi Super Tek Industries Limited	40	128,205	128,205	9,999,990	9,999,990	
Tavares Tradefrinks Private Limited	10	9,239	214,184	300,184	6,701,000	
Pande Bulltech Private Limited	10	-	7,715	-	1,928,750	
Vikas Multicorp Limited	1	38,321,019	40,418,280	556,404	577,404	
Value Industries Asia Pte Ltd.		270,000	270,000	13,014,920	13,014,920	
<b>Total aggregate unquoted investments [B]</b>				<b>23,871,498</b>	<b>32,222,064</b>	
<b>Assets Held for Sales (at amortised cost)*</b>						
Fortune J C Industries Pte Ltd. - Share Application Money				71,582,060	71,582,060	
<b>Total aggregate other investments [C]</b>				<b>71,582,060</b>	<b>71,582,060</b>	
<b>Total Non-current Investments [A+B+C]</b>				<b>107,058,434</b>	<b>105,783,974</b>	
<b>Investment Carried at Cost</b>				<b>23,871,498</b>	<b>32,222,064</b>	
<b>Investment Carried at Fair Value through Comprehensive Income</b>				<b>11,604,876</b>	<b>1,979,850</b>	

\* In the financial year 2017-18 Company had applied application money to M/s Fortune J C Industries Pte Ltd Singapore based Company but same has not been allotted and application money will be realised again.



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*[Signature]*  
Himanshi  
Nay

*[Signature]*  
Spreet



**Note 5 - Loans and Advances**

Particulars	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
<b>Unsecured (Considered Goods)</b>				
Inter Corporate Deposits*	123,918,898	244,097,288	-	5,631,023
Others	-	11,258,291	-	73,583,630
<b>Total Financial assets</b>	<b>123,918,898</b>	<b>255,355,579</b>	-	<b>79,214,653</b>

\*Inter Corporate Deposits includes Rs. 17,69,95,000/- given to M/s Best Agrochem Private Limited which as per resolution dated 10th October, 2018 filed with Stock Exchanges for the consolidation of the business of the said company

**Note 6 - Other Current and Non Current Assets**

(Unsecured, considered goods unless otherwise stated)

Particulars	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
Balance with Government Authorities	1,046,312	7,909,919	-	11,417,330
Advances to suppliers	14,291,631	125,982,445	-	176,381,082
Advance for Property	23,900,000	-	-	23,900,000
Loan to Employees	1,500,000	40,000	-	1,500,000
Prepaid Expenses	-	-	-	96,079
<b>Total other current and Non Current assets</b>	<b>40,737,943</b>	<b>133,932,364</b>	-	<b>213,294,491</b>

**Note 7- Inventories**

(at the lower of cost or net realisable value)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Stock of Traded goods	-	90,569,250	-	106,645,364
<b>Total inventories</b>	-	<b>90,569,250</b>	-	<b>106,645,364</b>



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Notes to the financial statements for the year ended March 31, 2019  
(All amounts in Rs, unless otherwise stated)

**Note 8 - Trade receivables**

Particulars	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
<u>Considered Good Trade Receivables</u>	-	739,585,862	-	302,694,577
<b>Total trade receivables</b>	-	739,585,862	-	302,694,577

(i) Refer note 32 for disclosures related to credit risk and related disclosures.

**Note 9 - Cash and Bank Balances**

Particulars	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
<b>(a) Cash and cash equivalents</b>				
(1) Cash on hand	-	222,929	-	724,398
(2) Balances with banks * In current accounts	-	6,873,285	-	1,076,249
<b>Total (a)</b>	-	7,096,214	-	1,800,647
<b>(b) Bank Balances other than Cash and cash equivalents (at amortised cost)</b>				
(1) Deposits with Original maturity of not less than three months but not more than twelve months	-	5,629,710	-	1,243,446
<b>Total (b)</b>	-	5,629,710	-	1,243,446
<b>Total cash and bank balances (a+b)</b>	-	12,725,924	-	3,044,093



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**Note 10. Deferred Tax Assets/ Liability**

Nature - Asset/Liability	Balance Sheet 31-Mar-19	Balance Sheet 31-Mar-18
<b>Deferred tax asset arising on account of:</b>		
Property, plant and equipment, investment property and other intangible	405,710	509,084
Fair valuation of financial instruments through FVTOCI	3,341,116	2,165,942
<b>Total</b>	<b>3,746,826</b>	<b>2,675,026</b>

*R. Dey*      *Arunabha Nayak*      *Shasad*



Changes in deferred tax Assets (net)

Particulars	01-Apr-17	Recognised in other comprehensive income	Recognised in Consolidated Statement of Profit and Loss	31-Mar-18	Recognised in other comprehensive income	Recognised in Consolidated Statement of Profit and Loss	31-Mar-19
<b>Assets</b>							
Property, plant and equipment, investment property and other intangible assets - depreciation and amortisation	271,052	-	258,052	-509,084	-	(103,374)	408,710
Fair valuation of financial instruments through FVTOCI	12,639,483	(16,473,341)	-	2,165,942	1,378,178	-	5,341,117
Sub-Total	12,910,535	(16,473,341)	258,052	2,675,026	1,378,178	(103,374)	5,749,827
<b>Total</b>	<b>12,910,535</b>			<b>2,675,026</b>			<b>5,749,827</b>

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**Note 12 - Other equity**

Particulars	March 31, 2019	March 31, 2018
(i) Capital Reserve	333,671,306	333,671,306
(ii) Security Premium	102,823,125	102,823,125
(iii) Retained Earnings	(26,558,875)	(27,260,524)
(iv) Other Comprehensive Income	17,063,418	23,421,414
<b>Total other equity</b>	<b>426,998,975</b>	<b>432,655,321</b>

**(i) Capital reserves**

Particulars	March 31, 2019	March 31, 2018
Opening balance	333,671,306	333,671,306
Movement during the year	-	-
<b>Closing balance</b>	<b>333,671,306</b>	<b>333,671,306</b>

\* Capital reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations

**(ii) Security Premium**

Particulars	March 31, 2019	March 31, 2018
Opening balance	102,823,125	102,823,125
Premium on issue of Shares	-	-
<b>Closing balance</b>	<b>102,823,125</b>	<b>102,823,125</b>

\* Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

**(iii) Retained earnings**

Particulars	March 31, 2019	March 31, 2018
Opening balance	(27,260,524)	(29,008,461)
Net profit for the year	966,000	2,109,557
Excess Provision made of Previous year Income Tax	695,626	-
Dividend paid during the year	(797,604)	(306,000)
Dividend Distribution Tax paid	(162,373)	(55,620)
<b>*Closing balance</b>	<b>(26,558,875)</b>	<b>(27,260,524)</b>

\* Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc.

**(iv) Other Comprehensive Income**

Particulars	March 31, 2019	March 31, 2018
Opening balance	23,421,414	28,264,993
Add: Net fair value on investment in equity instruments through OCI (net of tax)	(6,357,995)	(4,843,579)
<b>Closing balance</b>	<b>17,063,418</b>	<b>23,421,414</b>

This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income that have been recognized in other comprehensive income, net of amounts reclassified to profit or loss when such assets are disposed off and impairment losses on such instruments



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**Note 13 - Financial liabilities - Borrowings**

Particulars	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
<b>Secured</b>				
From Non Banking Financial Institutions				
Tata Motor Finance Limited*	268,412	298,696	704,705	137,617
<b>Unsecured</b>				
From Related Parties	-	-	14,263,846	-
From Others	15,499,315	-	68,342,813	-
	<b>15,767,727</b>	<b>298,696</b>	<b>83,311,364</b>	<b>137,617</b>

\* Secured loan hypothecation against cars from Tata Motor Finance Limited. The loan is repayable in 36 equal monthly installment of Rs. 13,934/- each. The Period of Maturity from the balance sheet date is 22 month.

**Note 14 - Other financial liabilities**

Particulars	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
Unpaid Dividend	-	557,937	-	417,950
Bank Overdraft with Union Bank of India*	-	-	-	31,918,949
<b>Total other financial liabilities</b>	<b>-</b>	<b>557,937</b>	<b>-</b>	<b>32,336,899</b>

\*Cheque lussed but not presented till reporting period

**Note 15 - Trade payables**

Particulars	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
<b>At amortised cost</b>				
Due to Micro and Small enterprises*	-	-	-	-
Due to Others	-	861,521,040	-	182,788,340
<b>Total trade payables</b>	<b>-</b>	<b>861,521,040</b>	<b>-</b>	<b>182,788,340</b>

\* Based on the information available with the Company, there are no dues outstanding in respect of Micro, Small & Medium Enterprises at the balance sheet date. The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

**Note 16 - Other Current Liabilities**

Particulars	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
Advance from Customers	-	117,937,196.00	-	-
Statutory dues payable	-	1,503,195.00	-	707,636
Expenses payable	-	3,411,441.03	-	1,290,683
<b>Total other liabilities</b>	<b>-</b>	<b>122,851,832</b>	<b>-</b>	<b>1,998,319</b>



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SAHYOG MULTIBASE LIMITED

CIN NO.: L74110DL1992PLC116773

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Rs, unless otherwise stated)

**Note 17 - Current Tax Liabilities (Net)**

Particulars	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
<b>(a) Income Tax Liabilities</b>				
Provision for income tax for current year	-	-	-	900,000
Provision for income tax for previous years	-	1,776,001	-	1,776,001
<b>Total</b>	<b>-</b>	<b>1,776,001</b>	<b>-</b>	<b>2,676,001</b>



*R*

*Sumit*

*Himanshi*  
*Mejra*

*Shraddha*

**Note 18 - Revenue from operations**

Particulars	March 31, 2019	March 31, 2018
Sale of products	1,275,185,007	1,291,846,839
Operating Income	2,479,069	-
<b>Total revenue from operations</b>	<b>1,277,664,076</b>	<b>1,291,846,839</b>

**Note 19 - Other income**

Particulars	March 31, 2019	March 31, 2018
(a) Interest income		
- Other Financial Assets carried at amortised cost	9,839,607	1,250,810
(b) Commission Income	-	145,294
(c) Dividend Income	1,160	67,662
(d) Foreign Exchange Fluctuation	10,531,787	5,855,877
(e) Duty Drawback Received	-	17,511,732
(f) Profit on sale of Fixed Assets	-	208,508
(g) Profit on sale of Investments	19,562,759	18,248,076
<b>Total other income</b>	<b>39,935,313</b>	<b>43,287,959</b>



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SAHYOG MULTIBASE LIMITED  
CIN NO.: L74110DL1992PLC116773

Notes to the financial statements for the year ended March 31, 2019  
(All amounts in Rs, unless otherwise stated)

Note 20 - Purchase of Stock in Trade

Particulars	March 31, 2019	March 31, 2018
Purchases during the year	1,273,274,541	1,289,160,230
Operating Expenses	2,345,316	43,860,702
<b>Total purchases made during the year</b>	<b>1,275,619,857</b>	<b>1,333,020,932</b>

Note 21 - Change in inventories

Particulars	March 31, 2019	March 31, 2018
Opening Stock of Finished Goods	106,645,384	79,243,110
Less: Closing stock of Finished Goods *	90,569,250	106,645,384
<b>Net Change in inventories</b>	<b>16,076,134</b>	<b>(27,402,274)</b>

Note 22 - Employees benefit expenses

Particulars	March 31, 2019	March 31, 2018
Salary and wages	4,173,781	5,773,751
Staff Welfare expenses	100,799	42,839
<b>Total Employees benefit expense</b>	<b>4,274,580</b>	<b>5,816,590</b>

Note 23 - Finance costs

Particulars	March 31, 2019	March 31, 2018
Interest expense	13,925,706	9,401,587
Bank Charges	232,022	258,270
<b>Total finance costs</b>	<b>14,157,728</b>	<b>9,659,857</b>

Note 24 - Depreciation and amortisation expense

Particulars	March 31, 2019	March 31, 2018
Depreciation expense - On property, plant and equipment( refer note 3(a))	410,535	1,497,843
<b>Total depreciation and amortisation expense</b>	<b>410,535</b>	<b>1,497,843</b>

Note 25 - Other expenses

Particulars	March 31, 2019	March 31, 2018
Interest on Statutory Dues payment	191,040	170,569
Listing/Merger Fees	317,005	200,000
Advertisement	120,420	415,310
Insurance	22,476	28,162
Fees & Filings Expenses	1,163,507	-
Legal and professional	497,046	705,880
<b>Payment to Auditor</b>		
- Audit fee	450,000	325,000
- Others	65,300	61,175
Rent Expense	276,515	1,237,000
Donation (Contribution to Political Party)	-	5,000,000
Expenses relating to previous years	49,791	60,500
Other Indirect Expenses	1,850,673	1,566,749
<b>Total other expenses</b>	<b>5,003,773</b>	<b>9,770,345</b>



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Notes to the financial statements for the year ended March 31, 2019  
(All amounts in Rs, unless otherwise stated)

Note 26 - Tax expense

Particulars	March 31, 2019	March 31, 2018
Current Tax In respect of current year	987,409	900,000
<b>Total income tax expense recognised in profit &amp; loss</b>	<b>987,409</b>	<b>900,000</b>

Note 27 - Earnings per share

Particulars	March 31, 2019	March 31, 2018
Profit for the year attributable to owners of the Company [A]	966,000	2,109,557
Weighted average number of equity shares for the purposes of basic EPS/diluted EPS [B]	7,976,072	7,976,072
Basic earning per share (face value of Rs. 10 per share) [A/B]	0.12	0.26
Diluted earning per share (face value of Rs. 10 per share) [A/B]	0.12	0.26

Note 28- Payment to Auditors

Particulars	March 31,2019	March 31,2018
Statutory audit	325,000	225,000
Tax Audit	125,000	100,000
others	65,300	61,175
<b>Total</b>	<b>515,300</b>	<b>386,175</b>

Note 29 - Contingent Liabilities and Commitments

	March 31, 2019	March 31, 2018
Bank Guarantee against export obligation ICD Tughlakabad*	1,201,000	1,201,000
Bank Guarantee for exports obligations Nhava Sheva	4,250,000	-
Income Tax**	1,490,130	1,490,130
<b>Total Contingent Liability</b>	<b>2,691,130</b>	<b>2,691,130</b>

\* The above Bank guarantee amounting to Rs. 12,01,000/- is given by pledging Bank Fixed Deposits for provisional towards redemption fine/penalty amounting to Rs. 20,00,000/-.

\*\* Income tax dispute pending at CIT (A) (Kolkata)

Note 30 - Information on Segment Reporting pursuant to Ind AS 108

The Company is primarily engaged in the business of "Trading" which constitutes a single reporting segment and the Executive Management Committee does not monitors the operating results of its business units separately for the purpose of making decisions about resource-allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements therefore no additional disclosure are required under Ind AS 108- "Segment Reporting"



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SAHYOG MULTIBASE LIMITED  
CIN NO.: L74110DL1992PLC116773

Notes to the financial statements for the year ended March 31, 2019  
(All amounts in Rs, unless otherwise stated)

Note 31 - Related party transactions

**(A) List of key management personnel**

Mr. Vishesh Gupta, Director  
Mr. Naresh Kumar Singhal  
Ms. Himanshu Negi Company Secretary (Appointed on 13.03.2019)  
Ms. Neha Garg Company Secretary (Resigned on 31.08.2018)  
Mr. Chandan Kumar, Chief Financial Officer (CFO) (Resigned on 07.09.2018)

**(B) List of Directors**

Mr. Ghanshyam Prashad Gupta  
Mr. Naresh Kumar Singhal  
Mrs. Meetu Aggarwal  
Mr. Vishesh Gupta

**(D) Entities in which a Director or his/her relative is a member or Director**

M/s Stepping Stone Construction Private Limited (Naresh Kumar Singhal is Common Director)  
M/s Jha Gunjan & Associates (Proprietor of the firm is relative of KMP)  
M/s Value Industries Asia Pte Ltd (Foreign Company)\*  
M/s Tavares Tradelink Private Limited\*\*

\* The Company is holding more than 20% of M/s Value Industries Asia Pte Ltd (201713309W) but Company does not exercise significant influence on the foreign entity and hence not classified as an Associate for the purpose of Ind AS 28.

\*\* The Company Tavares Tradelink Pvt. Ltd. was ceased to be subsidiary on 30.06.2018 but Company doesnot exercise significant influence on the indian entity from 01st April, 2018 and hence not classified as an Associate for the purpose of Ind AS 28.

**(E) Terms & conditions:**

The outstanding balances at the year-end are unsecured and interest free. The Company has not recorded any impairment of receivables relating to amounts owned by related parties for the year ended 31 March 2018 and 31 March 2019.

**(F)** The amount of transactions/ balances disclosed above are without giving effect to the Ind AS adjustments on account of fair valuation / amortisation.



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(G) Transactions with Related Party

Related Party	Outstanding as on 31.03.2019 (Rs.)	Payable/ Receivable	Outstanding as on 31.03.2018 (Rs.)	Payable/ Receivable	Nature of transaction	Value of transaction (Rs.)	
						As on 31.03.2019	As on 31.03.2018
Naresh Kumar Singhal	33,000.00	Payable	31,692	Payable	Director Remuneration	397,263	390,129.00
Vishesh Gupta	40,000	Payable	38,401	Payable	Director Remuneration	489,599	468,807
Deepak Bansal	-	Payable	-	payable	Director Remuneration	-	120,000
Charudith Kumar	-	Payable	45,330	payable	Salary Expenses	359,715	600,000
Umesh Gulhar	-	payable	240,000	payable	Director Remuneration	-	240,000
Neha Garg	-	payable	31,213	payable	Salary Expenses	171,509	396,000
Sleeping Stone Construction Private Limited.	-	payable	14,263,846	Payable	Loan Taken	-	19,925,000
Value Industries Asia Pte Ltd (Foreign Company)	98,026,606	Receivable	108,359,823	Receivable	Loan Repaid	14,025,000	5,300,000
Tavares Tradelink Private Limited( Formerly Known as Mahak Vyapaar Private Limited)	16,685,331	Advances Receivable	40,577,991	Advances Receivable	Interest Exp	168,421	238,846
Jha Gungun & Associates	-	Receivable	-	Receivable	Sales	-	117,162,205
		Advances Receivable		Investment	Investment	-	12,980,000
		Advances Receivable		Purchase	Purchase	94,316,050	19,131,231
		Advances Receivable		Sales	Sales	-	14,927,326
		Advances Receivable		Share Purchase of Vikas Multicorp Limited	Share Purchase of Vikas Multicorp Limited	-	577,404
		Advances Receivable		Professional Fee Reimbursement Exp	Professional Fee Reimbursement Exp	333,900	7,100
		Advances Receivable				-	246,613

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*Prasanna*

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Note 32 - Details of hedged and unhedged exposure in foreign currency denominated monetary items

A. Exposure in foreign currency - hedged

NIL

B. Exposure in foreign currency - unhedged

Outstanding overseas exposure not being hedged against adverse currency fluctuation:

Particulars	Period	Foreign currency (In USD)	Local currency (In Rs.)
Export receivables	31 March 2019	2,038,302	141,539,677
	31 March 2018	2,294,388	149,295,813
Overseas creditors	31 March 2019	767,313	53,282,237
	31 March 2018	767,297	49,928,047
Advances to suppliers	31 March 2019	877,110	60,906,506
	31 March 2018	854,129	55,578,181
Overseas Investments	31 March 2019	187,427	13,014,920
	31 March 2018	200,014	13,014,920
Overseas Assets held for sales	31 March 2019	1,030,848	71,582,060
	31 March 2018	1,100,078	71,582,060

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**SAHYOG MULTIBASE LIMITED**  
**CIN NO.: L74110DL1992PLC116773**

Notes to the financial statements for the year ended March 31, 2019  
 (All amounts in Rs, unless otherwise stated)

Note 33 Disclosure pursuant to Ind AS 1/ Ind AS 8 are given Below

Particulars	As at 31st March 2018 (Published)	As at 31st March 2018 (Reclassified)	Nature
<b>ASSETS</b>			
Financial Assets- Loans and Advances Current	361,747,821	78,790,900	Reclassification Items
Financial Assets- Loans and Advances Current		423,753	Prior Period Interest Income
Financial Assets- Cash and Cash equivalents- Current	3,044,093	1,800,647	Reclassification Items
Financial Assets- Bank Balances other than cash and cash equivalents -Current	-	1,243,446	Reclassification Items
Other Current Assets	-	211,375,131	Reclassification Items
		1,919,630	Prior Period Duty Draw Back
Assets held for sale	-	71,582,060	Reclassification Items
<b>EQUITY AND LIABILITIES</b>			
Other Equity		2,343,383	Prior Period Income Items
Financial Liabilities- Loans and Advances Current	33,627,582	32,336,899	Reclassification Items
Other Current Liabilities	707,636	1,998,319	Reclassification Items

Particulars	As at 31st March 2018 (Published)	As at 31st March 2018 (Reclassified)	Nature
<b>INCOME</b>			
Other Income	40,926,882	40,909,188	Reclassification Items
Other Income	-	2,343,383	Prior Period Income Items
<b>EXPENSES</b>			
Cost of Material Consumed	1,289,160,230	1,333,020,932	Reclassification Items
Other Expenses	53,613,353	9,770,345	Reclassification Items

The above reclassification in the previous year's published numbers have been made for better presentation in the financial statement and the confirm to the current year classification/ disclosure. This one includes prior period items amounting to Rs. 23,43,383/- which does have impact increases in profit on the profit and loss and also also change in the basic and diluted earning per share of previous year.

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SAHYOG MULTIBASE LIMITED  
CIN NO.: L74110DL1992PLC116773

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Rs, unless otherwise stated)

**Note 34 - Capital management**

For the purpose of capital management, capital includes total equity of the Company. The primary objective of the capital management is to maximize shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

Particulars	March 31, 2019	March 31, 2018
Current and non-current Borrowings (note 13)	16,066,423	83,448,981
Trade payables (note 15)	-	-
Other current financial liabilities (note 14)	557,937	32,336,899
Other current liabilities (note 16)	122,851,832	1,998,319
<b>Total debt</b>	<b>139,476,192</b>	<b>117,784,199</b>
Less: Cash and cash equivalent (note 9)	7,096,214	1,800,647
<b>Net debt (A)</b>	<b>146,572,405</b>	<b>119,584,846</b>
<b>Total equity (note 11 &amp; note 12)</b>	<b>506,759,690</b>	<b>512,416,036</b>
<b>Total equity and net debt (B)</b>	<b>653,332,095</b>	<b>632,000,882</b>
<b>Gearing ratio (A/B)</b>	<b>22.43%</b>	<b>18.92%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Further, no changes were made in the objectives, policies or process for managing capital during the years ended March 31, 2019 and March 31, 2018.

The Company is not subject to any externally imposed capital requirements.








**Note 35 - Financial risk management**

The Company's financial liabilities generally comprises of interest bearing borrowing, trade payables and other payables represented by advances received from dealers and other employee benefits. The main purpose of these financial liabilities is to raise finances for the company. The financial assets held by the company consist of trade receivables, balance with banks, investments and plan assets.

The company is mainly exposed to credit risk, liquidity risk and market risk. The board of directors reviews and agrees policies for managing each of these risks which are summarized below:

**(i) Credit Risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are also set accordingly

**(ii) Liquidity risk**

The Company uses liquidity forecast tools to manage its liquidity. The Company is able to substantially fund its working capital from cash and cash equivalents, cash credit facilities and cash flow that is generated from operation. The Company believes that the working capital is sufficient to meet its current requirements.

**Maturities analysis of financial liabilities:**

Particulars	on demand	< 1 year	1-5 years	Total	Carrying amount
<b>As at 31 March 2019</b>					
Current borrowings	298,696	-	-	298,696	298,696
Trade payables	-	-	-	-	-
Other current financial liabilities	557,937	-	-	557,937	557,937
Non-current borrowings	-	-	15,767,727	15,767,727	15,767,727
	856,633	-	15,767,727	16,624,360	16,624,360
<b>As at 31 March 2018</b>					
Current borrowings	137,617	-	-	137,617	137,617
Trade payables	182,788,340	-	-	182,788,340	182,788,340
Other current financial liabilities	33,627,582	-	-	33,627,582	33,627,582
Non-current borrowings	-	-	83,311,364	83,311,364	83,311,364
	216,553,539	-	83,311,364	299,864,903	299,864,903

**(iii) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risk: currency rate risk and interest rate risk.

**(a) Interest rate risk:**

The company's interest rate risk arises due to restricted deposit with bank. The exposure to interest risk in relation to restricted deposits is between 6% to 9%. Restriction on such deposits is realized on the expiry of terms of respective arrangements.

**(b) Foreign currency risk:**

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates of any currency. The Company's exposure to the risks of changes in foreign exchange rates relates primarily to the Company's investments in foreign companies.

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**SAHYOG MULTIBASE LIMITED**

CIN NO.: L74110DL1992PLC116773

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Rs, unless otherwise stated)

**Note 36 Fair Value Hierarchy**

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable (for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. Derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

**a) Financial assets and liabilities measured at fair value through OCI at 31 March 2019**

	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investment in quoted equity instruments	11,604,876	-	-
Investment in unquoted equity instruments	-	-	-
<b>Financial Liabilities</b>			
Financial Guarantee Contracts	-	-	-
Derivatives not designated as hedges	-	-	-

**Financial assets and liabilities measured at fair value through (OCI) at 31 March 2018**

	Level 1	Level 2	Level 3
<b>Financial Assets</b>			
Investment in quoted equity instruments	1,979,850	-	-
Investment in unquoted equity instruments	-	-	-
<b>Financial Liabilities</b>			
Financial Guarantee Contracts	-	-	-
Derivatives not designated as hedges	-	-	-

**Description of significant unobservable input to valuation:**

Valuation technique  
DCF Method

Significant unobservable techniques  
Interest saved approach

**b) Financial instruments at amortized cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the value that would eventually be received or settled.

**c) During the year there has been no transfer from one level to another**

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**SAHYOG MULTIBASE LIMITED**

CIN NO.: L74110DL1992PLC116773

Notes to the financial statements for the year ended March 31, 2019

(All amounts in Rs, unless otherwise stated)

**Note 37- Fair value measurements**

**Financial instruments by category**

Particulars	March 31, 2019		March 31, 2018	
	FVTOCI	Amortised cost	FVTOCI	Amortised cost
<b>Financial assets</b>				
Non Current Investments	11,604,876	23,871,498	1,979,850	32,222,064
Trade receivables	-	739,585,862	-	302,694,577
Cash and bank balances	-	12,725,924	-	3,044,093
Other Non- current loans & advances	-	123,918,898	-	-
Other current loans & advances	-	255,355,579	-	79,214,653
<b>Total financial assets</b>	<b>11,604,876</b>	<b>1,155,457,760</b>	<b>1,979,850</b>	<b>417,175,387</b>
<b>Financial liabilities</b>				
Borrowings	-	16,066,423	-	83,448,981
Trade payables	-	-	-	-
Other payables	-	557,937	-	32,336,899
<b>Total financial liabilities</b>	<b>-</b>	<b>16,624,360</b>	<b>-</b>	<b>115,785,880</b>

The management assessed that cash and cash equivalents, other bank balance, loans, trade payables and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

**Note 38 - Recent Accounting pronouncements**

The Ministry of Corporate Affairs (MCA) vide notification dated 30 March 2019 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and has amended Ind AS 116 Lease classification of a lease contract in which acquiree is the lessor as either an operating lease or a finance lease in accordance with Ind AS 116 requires an entity to provide disclosures in the financial statement, Ind AS 19 which requires the entities to determine current service cost using actuarial assumptions and net interest using discount rate determined at the start of the annual reporting period, Ind AS 109 Financial Instruments in respect of prepayment features with negative compensation, which amends the existing requirements in Ind AS-109 regarding termination rights in order to allow measurement at amortized cost even in the case of negative compensation payment and Ind AS 23 Borrowing costs clarifies that if any specific borrowings remain outstanding after the related assets is ready for its intended use or sale, that borrowing becomes part of the fund that an entity borrows generally when calculating the capitalization rate on general borrowings. On initial application of the amendment, entities are not required to provide comparative information for preceding periods. These amendments are effective for annual periods beginning on or after 1 April 2019. Application of this amendments will not have any recognition and measurement impact. However, it will require additional disclosure in the financial statements.

**Note 39 -** In the opinion of the Board of Directors, current assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all known / expected liabilities have been made.

**Note 40 - Approval of standalone financial statements**

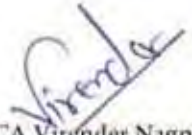
The standalone financial statements were approved for issue by the Board of Directors of the Company on 30 May 2019 subject to approval of shareholders.

As per our report of even date

For Virender Nagpal & Co.

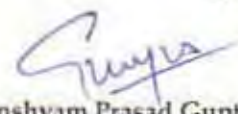
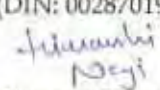
Chartered Accountants


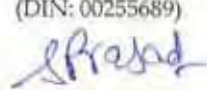
Firm Regn. No.018289C

  
CA Virender Nagpal  
Partner  
Membership No. 416004  
Place: New Delhi  
Dated: 30/05/2019



For and on behalf of the Board of  
Sahyog Multibase Limited

  
Ghanshyam Prasad Gupta  
Director  
(DIN: 00287019)  
  
Himanshi Negi  
(Company Secretary)

  
Vishesh Gupta  
Director  
(DIN: 00255689)  
  
Shrawan Kumar Prasad  
(Chief Financial Officer)



# Notes to the Financial Statements

## For the Year Ended March 31, 2019

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### 1. COMPANY INFORMATION

Sahyog Multibase Limited ('the company') is a domestic public limited with registered office situated at House No. 9, Road No.13, East Punjabi Bagh, New Delhi-110026. The company is engaged in trading activities of PVC granules, Resins and other miscellaneous products. The company caters primarily to domestic market. Board of the Company has considered and in principle approved the consolidation of businesses of Best Agrochem Private Limited ('BAPL') with the Company as per resolution dated 10th October, 2018.

### 2.)2.1 Significant Accounting Policies

#### 2.1.1 Basis for Preparation of accounts

For all periods up to and including the year ended 31 March 2019, the company prepared its financial statements in accordance with Indian accounting standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, prescribed under section 133 of the Companies Act 2013 (Ind AS)

#### 2.1.2 Use of Estimates

IND AS enjoins management to make estimates and assumptions related to financial statements that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the year. Actual result may differ from such estimates. Any revision in accounting estimates is recognized prospectively in the period of change and material revision, including its impact on financial statements, is reported in the notes to accounts in the year of incorporation of revision

#### 2.1.3 Basis of measurement

The Financial statements are prepared on Historical Cost basis except financial assets and liabilities that are measured at fair value (Refer accounting policy regarding Financial Instruments). The accounting policies not specifically referred to otherwise, are consistent and in consonance with generally accepted accounting principles. All income and expenditure and being accounted for on accrual basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.



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Fair value is the price that would be received to sell assets or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### **2.1.4 Functional and Presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency.

#### **2.1.5 Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statement requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the related disclosure and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### **2.2 Revenue Recognition**

- Revenue is recognised to the extent that it is probable that the economic benefits with flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Amount of sales are net of goods and services tax, sale return, trade allowance and discounts.

Effective 01 April, 2018, the company adopted Ind AS 115 "Revenue from Contracts with customers" using the modified retrospective method. Under the modified retrospective method, an entity applies Ind AS 115 only for contracts that are not completed before 31 March 2018.

To determine whether to recognize revenue, the company follows a 5 step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligation
5. Recognising revenue when as performance obligations are satisfied

Revenue is recognised either at a point in time or over time, when (or as) the company satisfied performance obligations by transferring the promised goods or services to its customers

- Interest Income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.
- Income from Dividend on Investments is accrued in the year in which it is declared, whereby the company's right to receive it established.

Other incomes have been recognized on accrual basis in financial statements when no significant uncertainty exists on their receipts.



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### 2.3 Property, Plants and Equipments

These tangible assets are held for use in production, supply of goods or services or for administrative purposes. These are recognized and carried under cost model i.e. cost less accumulated depreciation and impairment loss, if any which is akin to recognition criteria under erstwhile GAAP.

- Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration up to the time when the asset is ready for intended use. Such Costs also include Borrowing Cost if the recognition criteria are met.
- Depreciation has been provided on Written Downvalue method in terms of expected life span of assets as referred to in Schedule II of the Companies Act, 2013. In the following category of property plant and equipment, the depreciation has been provided on the technical evaluation of the useful life which is different from the one specified in Schedule II to the Companies Act, 2013.
  - Buildings - 3 to 60 years
  - Plant and Machinery - 3 to 15 years
  - Furniture and Fixtures - 5 to 10 years
  - Office Equipment - 5 to 10 years
  - Vehicles - 5 to 8 yearsThe residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.
- During sales of fixed assets any profit earned / loss sustained towards excess / shortfall of sale value vis-a-vis carrying cost of assets is accounted for in statement of profit & loss.

### 2.4 Intangible Assets

Intangible assets are recognized only when the further economic benefits arising out of the assets flow to the enterprise and are amortized over their useful life ranging from 3 to 5 years. Intangible asset acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development cost, are not capitalized and are charged to statement of profit and loss for the year during which such expenditure is incurred.

### 2.5 Assets held for sale

The Group classifies assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale, if the Management expects to complete the sale within one year from the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell.



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## 2.6 Lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Lease is classified as finance lease whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other lease classified as operating leases.

## 2.7 Financial Instruments

### **I. Financial Assets**

#### **Initial Recognition and Measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost

#### **Subsequent Measurement**

For purpose of subsequent measurement financial assets are classified in two broad categories:-

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss, or recognized in other comprehensive income.

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

#### **Investment in associates, joint venture and subsidiaries**

The company has accounted for its investment in subsidiaries, associates and joint venture at cost.

#### **Impairment of financial assets**

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

- 12 months expected credit losses, or
- Lifetime expected credit losses

Depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Companies policy may differ in each case of trade receivables.

### **II. Financial Liabilities**

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.



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Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and Loss

## **2.8 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability , or
- In absence of a principal market , in most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumption that market participants would use when pricing the assets or liability, assuming that market participants act in their best economic interest fair value measurement of a non- financial asset takes in to account a market participant's ability to generate economic benefits by using the assets in its highest and in its best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

## **2.9 Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

## **2.10 Inventories**

Inventories are valued at the lower of cost (including prime cost, non-refundable taxes and duties and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate. The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases



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where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

The basis of determination of cost remains as follows:

- a) Raw materials, packing materials are valued at cost includes purchase price, inward freight and other incidental expenses net of refundable duties, levies and taxes, where applicable.
- b) Finished goods are valued at lower of net realisable value and cost (including prime cost and other overheads incurred in bringing the inventories to their present location and condition).

## 2.11 Provisions, Contingent Liability and Events After The Reporting Period

### **a) Provision**

- A provision is recognised when an enterprise has a present obligation ( legal or constructive) as a result of past event; it is probable that an out flow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss.
  - If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the tax specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a financial cost.
- A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognize a contingent liability but disclose its existence in the financial statements as per Note No. 29

## 2.12 Borrowing Cost

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

## 2.13 Foreign Currency Translation

The company's financial statements are presented in INR, which is also the company's functional currency.

- Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain / Loss arising on account of rise or fall in overseas currencies vis-à-vis functional currency between the date of transaction and that of payment is charged to Statement of Profit & Loss.
- Monetary Assets in foreign currencies are translated into functional currency at the exchange rate ruling at the Reporting Date and the resultant gain or loss, is accounted for in the Statement of Profit & Loss.



Handwritten signatures and initials in blue ink, including a signature that appears to be 'S. Prasad'.



- Non-Monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction

## 2.14 Employee Benefits

### i.) Short-term employee benefit

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service

### ii.) Post-employment benefits

Company has not accounted any Post-Employment benefits and has not made any provision for post-employment benefits.

## 2.15 Operating Segments

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements

The Operating segments have been identified on the basis of the nature of products/services.

- Segment revenue includes sales and other income directly identifiable with the segment including intersegment revenue.
- Expenses that are directly identifiable with the segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure.
- Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.
- Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Group
- Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

## 2.16 Taxations

Tax expense recognized in Standalone Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum Alternate Tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Standalone Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at



each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.




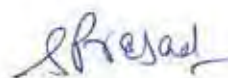
Deferred tax is recognized on temporary differences between the carrying amount of assets and liabilities in the financial statement and the corresponding tax bases used in computation of taxable profit under Income Tax Act, 1961.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside Standalone Statement of Profit and Loss is recognized outside Standalone Statement of Profit and Loss (either in other comprehensive income or in equity).

### 2.17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

The weighted average number of equity shares outstanding during the period and for all the periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares outstanding, without a corresponding change in resources.







# Corporate Professionals

Date: August 28, 2019

Ref. No.: CPC/MB/63/2019-20

**The Board of Directors**  
**Best Agrochem Private Limited**  
S-1A, Bhagwan Dass Nagar,  
East Punjabi Bagh,  
New Delhi – 110026, India

Dear Sir/Madam,

**Subject: Scheme of Arrangement for Amalgamation of Best Agrochem Private Limited (hereinafter referred as "Transferor Company") with Sahyog Multibase Limited (hereinafter referred as "Transferee Company") and their respective shareholders and creditors.**

**Re: Due Diligence Certificate in adherence to para 3 of Annexure I of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.**

## **PURPOSE:**

This has reference to our engagement for providing Due Diligence Certificate ("Certificate") on the accuracy and adequacy of the disclosure made in the Information Memorandum by **Best Agrochem Private Limited** ("the Company") as per the format provided in Part E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time, read with SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and pursuant to the Scheme approved by the Board of Directors of the Company on January 05, 2019 with effect from April 01, 2018 ("Appointed Date") under the provisions of Section 230 to Section 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) thereof).

The information contained herein and our Certificate is intended only for the sole use of captioned purpose of obtaining requisite approvals as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and compliance of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017.

## **SCOPE AND LIMITATIONS:**

- This Certificate is for a specific purpose and is issued in terms of and in compliance with SEBI Circular dated March 10, 2017 and hence should not be used for any other purpose or transaction.
- Our due diligence and result are specific to the date of this Certificate and based on information as at August 26, 2019. Further, we have no responsibility to update this Certificate on the circumstances or events after the date hereof.

Corporate Professionals Capital Private Limited

CIN - U74899DL2000PTC104508

D 28, South Extn. Part- I, New Delhi 110049, India | T: 205 11 40622200 | F: +91 11 40622201 | E: mb@indiapcp.com

[www.corporateprofessionals.com](http://www.corporateprofessionals.com)



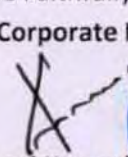
- We have relied upon the financials and the information and representations furnished to us by the management of the Company and the information available in public domain and have not carried out any audit of such information. Our work does not constitute audit of financials including working results of the Company and accordingly, we are unable to and do not express an opinion on the fairness of any financial information referred to in the Information Memorandum.
- This Certificate is issued on the undertaking that the Company have drawn our attention to all the matters, which they are aware of concerning inter-alia the financial position of the Company, its business, and any other matter, which may have an impact on our Certificate, including any material risk concerning the Company or are likely to take place in the financial position of the Company or its business.
- We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of reliance on the information set out here in this Certificate.
- Our opinion is not, nor should it be construed as our opining or certifying the compliance with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

**CONCLUSION:**

In the circumstances, having regard to all relevant factors, on the basis of information and explanations given to us and on the basis of due diligence conducted by us, we certify as on the date hereof, that the disclosures made in the Information Memorandum dated August 26, 2019 is in conformity with the relevant documents, materials and other papers related to the Company and are fair, accurate and adequate.

Yours Faithfully,

For **Corporate Professionals Capital Private Limited**

  
(Manoj Kumar)

**Partner and Head – M&A and Transactions**







# Best Agrochem Pvt. Ltd.

## INFORMATION ABOUT BEST AGROCHEM PRIVATE LIMITED

The information mentioned hereinafter are in terms of the provisions of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the Scheme of Arrangement ("Scheme") for Amalgamation of **BEST AGROCHEM PRIVATE LIMITED** (hereinafter referred as "Transferor Company" / "BAPL") with **SAHYOG MULTIBASE LIMITED** (hereinafter referred as "Transferee Company" / "SML")

Name	: BEST AGROCHEM PRIVATE LIMITED
CIN	: U24100DL2007PTC171008
Registered Office	: S-1A Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi - 110026, India
Tel. No.	: +91-11-45803300
Fax. No.	: +91-11-45093518
Website	: www.bestagrochem.in
Email ID	: es@bestagrochem.co.in
Compliance Officer	: Name Ms. Aarti Arora Email ID es@bestagrochem.co.in Contact No. +91-9650059041

### 1. Background about the Company and its Business Overview:

BAPL was incorporated on 3<sup>rd</sup> December, 2007 as a private limited Company with the name and style of "Best Agrochem Private Limited" under the provisions of Companies Act, 1956 with the objective of providing quality agro inputs at most competitive prices to the farmers of the Country. In the span of 11 years, it has emerged amongst the top agrochemical companies in India and as the global player with its presence in international markets. It is providing diverse range of products to its customers and has a product portfolio comprising of more than 60 active ingredients and various formulations of pesticides and plant micro-nutrients for protecting and nourishing a wide range of crops. Its product range includes insecticides, herbicides, fungicides, plant growth regulators etc.

### 2. Details about the Promoter(s) of the Company (as on date):

S. No.	Name	Nature (Individual/Company/etc.)
i.	Mr. Vimal Kumar	Individual
ii.	Mrs. Vandana Alawadhi	Individual

If the promoter(s) are Individual:

Mr. Vimal Kumar	
PAN	AGPPK8622F
Educational Qualification	Bachelor of Arts from Kurukshetra University in 1997
Experience in business or employment	He has more than 20 years of experience in Agrochemicals Industry
List of Companies promoted	1. Best Chemicals Private Limited 2. Coolife Restaurants Private Limited 3. Best Crop Science Private Limited (converted to LLP and dissolved)
List of Companies in which person is Director	1. Best Agrochem Private Limited 2. Best Chemicals Private Limited 3. Pavas Chemicals Private Limited

For Best Agrochem Private Limited



*K. Singh*  
Director

CIN No. : U24100DL2007PTC171008

Regd. Office : S-1A, Bhagwan Dass Nagar, East Punjabi Bagh, New Delhi - 110026 (INDIA) Ph: 91-11- 45803300

Fax: 91-11-45093518 E-mail : info@bestagrochem.in Website : www.bestagrochem.in




	4. Best Crop Science LLP ( Designated Partner)
No. of shares held in the Company	445,000 Equity Shares constituting 7.76% of the paid-up share capital of the Company
<b>Ms. Vandana Alawadhi</b>	
PAN	AFPPA2605F
Educational Qualification	B.Sc (Hons) Maths from Delhi University in 1997 and MBA from Guru Jambheshwar university in 1999
Experience in business or employment	She has more than 11 years of experience in Day to Day Administration and HR Management
List of Companies promoted	Best Crop Science Private Limited (converted to LLP and dissolved)
List of Companies in which person is Director	Best Agrochem Private Limited
No. of shares held in the Company	2,575,640 Equity Shares constituting 44.89% of the paid-up share capital of the Company

### 3. Details of Board of the Company:

#### - Present Director(s)

Particulars	Details of Board of the Company
Name of Director	<b>Mr. Vimal Kumar</b>
DIN	01260082
PAN	AGPPK8622F
Age	41 Years
Address	D-22, 3rd Floor, Bhagwan Dass Nagar, East Punjabi Bagh, Delhi- 110026, India
Qualification	B.A from Kurukshetra University
Experience	He has more than 20 years of experience in Agrochemicals Industry
Date of Appointment	December 03, 2007
Designation	Director
Date of Expiration of Current terms	-
Number of Shares held in the Company	445,000 Equity Shares constituting 7.76% of the paid-up share capital of the Company
Other Directorships	1. Best Chemicals Private Limited 2. Pavas Chemicals Private Limited 3. Best Crop Science LLP (Designated Partner)
Name of Director	<b>Mrs. Vandana Alawadhi</b>
DIN	01831191
PAN	AFPPA2605F
Age	42 years
Address	D-22, 3rd Floor, Bhagwan Dass Nagar, East Punjabi Bagh, Delhi- 110026, India
Qualification	B.Sc (Hons) Maths from Delhi University and MBA from Guru Jambheshwar university
Experience	She has more than 11 years of experience in Day to Day Administration and HR Management
Date of Appointment	December 03, 2007

For Best Agrochem Private Limited

  
Director

Designation	Director
Date of Expiration of Current terms	-
Number of Shares held in the Company	2,575,640 Equity Shares constituting 44.89% of the paid-up share capital of the Company
Other Directorships	-
Name of Director	<b>Mr. Subodh Kumar</b>
DIN	06874755
PAN	ATXPK8564F
Age	44 years
Address	113, Pitam Pura Village, Pitam Pura, New Delhi - 110034, India
Qualification	B.sc (Hons) from Lalit Narayan Mithila University, Darbanga, Bihar
Experience	He has more than 15 years of experience in looking after administration and major part of recovery and Legal matters
Date of Appointment	April 01, 2015
Designation	Director
Date of Expiration of Current terms	-
Number of Shares held in the Company	Nil
Other Directorships	-
Name of Director	<b>Mr. Shuvendu Kumar Satpathy</b>
DIN	07552741
PAN	AKVPS1986L
Age	57 years
Address	39, Top Floor, Channamal Park, East Punjabi Bagh, Ashok Park Extension, West Delhi- 110026, India
Qualification	B.Sc. Agriculture (Tech) from Odisha University of Agriculture & Technology
Experience	He has extensive experience of 22 years in Finance and banking and has an experience of 8 years in looking after overall banking operations of the Company
Date of Appointment	June 27, 2016
Designation	Director
Date of Expiration of Current terms	-
Number of Shares held in the Company	Nil
Other Directorships	-

- Past Director(s): Changes in the composition of Directors in last three years

Name	Address	DIN	Date of Appointment	Date of Cessation	Reason for Cessation
Mr. Subodh Kumar	113, Pitam Pura Village, Pitam Pura, New Delhi - 110034, India	06874755	April 01, 2015	-	-
Mr. Shuvendu	39, Top Floor, Channamal Park, East Punjabi Bagh, Ashok	07552741	June 27, 2016	-	-

For Best Agrochem Private Limited

  
Director



Kumar Satpathy	Park Extension, West Delhi- 110026, India				
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#### 4. Shareholding Structure of the Company:

The details of top ten shareholders of the Company are tabulated below (as on date):

S. No.	Name	Number of shares held in the Company	% Shares
1.	Mrs. Vandana Alawadhi	2,575,640	44.89
2.	Mr. Baldev Madan	500,000	8.72
3.	Mr. Raj Kumar	470,500	8.20
4.	Mr. Vimal Kumar	445,000	7.76
5.	Mr. Anand Mohan	275,000	4.79
6.	Mr. Raj Kumari	210,000	3.66
7.	Shammi Nagpal Karta - Shammi Nagpal (HUF)	188,000	3.28
8.	Mr. Kamal Kumar	150,100	2.62
9.	Mr. Desh Raj Sardana	150,000	2.61
10.	Mr. Ved Prakash	135,000	2.35
<b>TOTAL</b>		<b>5,099,240</b>	<b>88.88</b>

#### 5. Changes in the shareholding structure of Promoter(s) and Board of the Company:

The details of change in shareholding structure of Promoter(s) is mentioned below:

Date	Name of the Promoter	No. of Shares	(%)	Cumulative (%)	Change
December 3, 2007	Mr. Vimal Kumar	5,000	0.09	5,000 (0.09)	-
January 07, 2010		100,000	1.74	105,000 (1.83)	1.74
July 15, 2010		115,000	2.00	220,000 (3.83)	2.00
March 12, 2013		450,000	7.84	670,000 (11.68)	7.84
November 18, 2015		(450,000)	-7.84	220,000 (3.83)	-7.84
February 14, 2018		225,000	3.92	445,000 (7.76)	3.92
<b>Present Holding</b>		<b>445,000</b>	<b>7.76</b>	<b>445,000 (7.76)</b>	
December 3, 2007	Mrs. Vandana Alawadhi	5,000	0.09	5,000 (0.09)	-
January 07, 2010		4,000	0.07	9,000 (0.16)	0.07
November 18, 2015		450,000	7.84	459,000 (8.00)	7.84
March 29, 2016		841,640	14.67	1,300,640 (22.67)	14.67
February 14, 2018		1,275,000	22.22	2,575,640 (44.89)	22.22
<b>Present Holding</b>		<b>2,575,640</b>	<b>44.89</b>	<b>2,575,640 (44.89)</b>	

**The details of change in shareholding structure of Board of Directors of the Company:** Mr. Vimal Kumar and Ms. Vandana Alawadhi are the promoter director of BAPL. The changes in their shareholding structure have been mentioned at point (5) above.

For Best Agrochem Private Limited

  
Director



**6. Details of Group Company(ies)/ Subsidiary Company(ies)/ Joint venture(s):**

Details of Group Companies: Not Applicable

Sr. No.	Name of the Group Company	Equity Share Capital (March 31, 2019)	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
NA						

Total numbers of Subsidiary Company (ies)/ Joint ventures(s) are mentioned below:

No. of Subsidiary (ies)	NA
No. of Joint Venture(s)	NA

Details of Subsidiary (ies) Company which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital (March 31, 2019)	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
NA						

Details of Joint Venture(s) which contribute more than 5% of revenue/profits/assets of the issuer company on consolidated basis in preceding financial year or the last period audited financial statements:

Sr. No.	Name of the Group Company	Equity Share Capital (March 31, 2019)	Turnover for the previous Financial Year	Profit after Tax for the previous Financial Year	Shareholding held in the Group Company	Listing Status
NA						

**7. Financial Structure of the Company:**

**7.1 Details of Capital Structure of the Company:**

Details of capital structure of the Company						
Date of allotment	Shares issued		Cumulative paid up capital		Mode of allotment	Identity of Allottees
	No.	%	No.	%		
December 03, 2007	10,000	0.17	10,000 Equity Shares	0.17	Subscribers to Memorandum	Promoters
January 07, 2010	495,400	8.63	505,400 Equity Shares	8.81	Right Issue	Promoters + Non promoters
July 15, 2010	490,000	8.54	995,400 Equity Shares	17.35	Right Issue	Promoters + Non promoters
December 30, 2011	284,000	4.95	1,279,400 Equity Shares	22.30	Right Issue	Non promoters
May 09, 2015	465,000	8.11	1,744,400 Equity Shares	30.41	Private Placement	Non promoters
July 14, 2015	275,000	4.79	2,019,400 Equity Shares	35.20	Private Placement	Non promoters
July 24, 2015	325,000	5.66	2,344,400 Equity Shares	40.86	Private Placement	Non promoters

For Best Agrochem Private Limited

*[Signature]*  
Director



August 08, 2015	175,000	3.05	2,519,400 Equity Shares	43.91	Right Issue	Non promoters
December 03, 2015	248,000	4.32	2,767,400 Equity Shares	48.24	Private Placement	Non promoters
March 29, 2016	908,840	15.84	3,676,240 Equity Shares	64.08	Right Issue	Promoters + Non promoters
January 18, 2017	95,500	1.66	3,771,740 Equity Shares	65.74	Right Issue	Non promoters
March 21, 2017	465,400	8.11	4,237,140 Equity Shares	73.85	Right Issue	Non promoters
February 14, 2018	3,000,000	26.15	5,737,140 Equity Shares (7,237,140 Equity Shares - 1,500,000 Equity Shares* = 5,737,140 Equity Shares)	100.00	Private Placement	Promoters + Non promoters
	<b>5,737,140</b>	<b>100.00</b>	<b>5,737,140</b>			

(\*) On November 28, 2018, BAPL forfeited 1,500,000 (Fifteen Laacs) Equity Shares held by Siddh Coal Transport Private Limited due to non-payment of Calls in arrears.

## 7.2 Details of financial position of last three financial years:

(Amount in Laacs)

Particulars	Audited as on 31.03.2019	Audited as on 31.03.2018	Audited as on 31.03.2017
	2018-19	2017-18	2016-17
Equity Paid up Capital	573.71	611.21	423.71
Share forfeiture account	75.00	0.00	0.00
Reserves and surplus	1,781.83	1,273.97	733.76
Carry forward losses		-	
Net Worth	2,430.55	1,885.18	1,157.48
Miscellaneous Expenditure	0.00	0.00	0.00
Secured Loans	5,896.22	6,353.85	3,612.99
Unsecured Loans	2,306.95	673.56	741.46
Fixed Assets	684.44	101.55	120.33
Income from Operations	53,524.27	47,580.63	34,072.15
Total Income	53,564.22	47,653.39	34,097.65
Total Expenditure	52,851.49	47,313.19	33,914.21
Profit before Tax	712.73	340.20	183.44
Profit after Tax	444.12	221.45	120.35
Cash profit	520.18	273.58	173.86
EPS	7.74	3.06	2.84
Book value	42.36	30.84	27.32

For Best Agrochem Private Limited  
  
 Director

**7.3 Details of Material Related Party Transactions:**

Particulars	For the period ended as on March 31, 2019 (in INR)	For the year ended March 31, 2018 (in INR)
Remuneration to Mr. Vimal Kumar, Director (KMP)	2,400,000	1,680,000
Remuneration to Mrs. Vandana Alawadhi, Director (KMP)	2,100,000	1,440,000
Remuneration to Mr. Subodh Kumar, Director (KMP)	374,600	312,000
Remuneration to Mr. Shuvendu Kumar Satpathy, Director	650,000	-
Remuneration to Ms. Aarti Arora, Company Secretary (KMP)	385,000	29,516
Rent of office payable to Mr. Vimal Kumar, Director	600,000	600,000
Rent of office payable to Mrs. Vandana Alawadhi, Director	-	280,000
Loan Due to director Mr. Vimal Kumar	1,500,000	-
Purchase from Best Crop Science LLP (Mr. Vimal Kumar is designated partner in LLP)	65,936,353	468,197,307

**7.4 Aggregate Number of shares for capitalization of Reserves or Profits:** Not Applicable

**7.5 Details of Revaluation of assets:** Not Applicable

**8. Details of Material Penal Actions/Litigations:**

**8.1** Details of material penal actions/ litigations against the Company: Not Applicable

**8.2** Details of material penal actions/ litigations against the Promoters: Not Applicable

**8.3** Details of material penal actions/ litigations against the Directors: Not Applicable

**9. Declaration**

The Company, its promoters or its Directors are not in the list of 'wilful defaulters' issued by any bank, financial institution, or consortium thereof in accordance with guidelines on wilful defaulters issued by RBI.

I, Shuvendu Kumar Satpathy, Director of the Company do hereby confirm that all the information provided in the document is true and fair to the best of my knowledge and belief as on the date of document.

**For Best Agrochem Private Limited**

For Best Agrochem Private Limited

Shuvendu Kumar Satpathy Director

Director

DIN: 07552741

Address: 39, Top Floor,  
Channamal Park,  
East Punjabi Bagh,  
Ashok Park Extension,  
West Delhi – 110026, India

Place: New Delhi

Date: 26<sup>th</sup> August, 2019



# MAP OF EGM VENUE

