

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,**

**BENCH AT MUMBAI**

**C.A. (CAA)/ /MB/2019**

In the matter of the Companies Act, 2013;

And

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

And

In the matter of Scheme of Merger by  
Absorption of MARPOL PRIVATE LIMITED,  
PERMA CONSTRUCTION AIDS PRIVATE  
LIMITED (“the Transferor Companies”)  
With KANSAI NEROLAC PAINTS LIMITED  
(“the Transferee Company”)

In the Matter of

<b>MARPOL PRIVATE LIMITED,</b>	)
a company incorporated	)
under the Indian Companies Act, 1956 having	)
its registered office at Panandiker Chambers,	)
1st Floor, M.L Furtado Road, Margao,	)
Goa - 403601.	)
CIN No. U24222GA1983PTC000532	) ...Transferor Company/ Applicant Company



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A

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
BENCH AT MUMBAI  
C.A.(CAA)/ /MB/2019

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230 to 232 and other  
applicable provisions of the Companies Act,  
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Absorption of MARPOL PRIVATE LIMITED,  
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PRIVATE LIMITED ("the Transferor  
Companies") With KANSAI NEROLAC  
PAINTS LIMITED ('the Transferee  
Company")

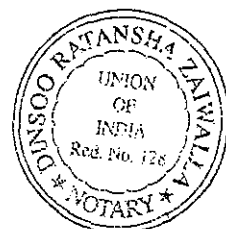
Marpol Private Limited

... Applicant Company

**SYNOPSIS, DATES AND EVENTS**

**SYNOPSIS:**

1. Marpol Private Limited (hereinafter referred to as the "Applicant Company" or "Marpol"), has taken out the present Company Scheme Application under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as "Act") seeking directions from this Hon'ble Tribunal that holding and convening meetings of its equity shareholders, Secured Creditors and Unsecured Creditors to seek their approval to the Scheme of Amalgamation between the Applicant Company, Perma Constructions Aids Private Limited ("Transferor Company No.2") and Kansai Nerolac Paints Limited ("Transferee Company") and their respective shareholders and



B

creditors (hereinafter referred to as the “Scheme of Amalgamation”), be dispensed with in view of the consent affidavits of both the equity shareholders of the Applicant Company and that there is only 1 (one) Secured Creditor and 127 (one twenty seven) Unsecured Creditors of the Applicant Company, and the Applicant Company undertakes to issue notice under Section 230(3) of the Act to all its Secured and Unsecured creditors with a direction that they may submit their representations to this Hon’ble Tribunal, if any, within a period of 30 (thirty) days from the date of receipt of such notice, with a copy of the representation simultaneously served upon the Applicant Company. Both the Transferor Companies are the wholly owned Subsidiaries of the Transferee Company.

2. The proposed Scheme provides for merger by absorption of the Applicant Company, Perma Constructions Aids Private Limited with Kansai Nerolac Paints Limited, followed by the dissolution without winding up of the Applicant Company and the consequent cancellation of the equity shares held by Kansai Nerolac Paints Limited in the Applicant Company and various other matters consequential to or otherwise integrally connected with the above pursuant to Sections 230-232 and other relevant provisions of the Act and Rules thereunder, in the manner provided for in the Scheme.

**DATES AND EVENTS:**

Sr. No.	Date	Particulars/Events
1.	25 <sup>th</sup> July 2019, 26 <sup>th</sup> July 2019 and 29 <sup>th</sup> July 2019	The Board of Directors of the Applicant Company and the other companies involved in the Scheme by their separate resolutions passed at their respective meetings have approved the Scheme of Amalgamation
	December 2019	Respective Company Scheme Application filed by the Transferor Company and the



		Transferee Company in the National Company Law Tribunal, Mumbai Bench and the National Company Law Tribunal, Ahmedabad Bench.
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Dated this 17<sup>th</sup> day of December 2019

For Kanga & Company

*B. Vaidya*  
Partner

Advocates for the Applicant Company



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**FORM NO. NCLT - 2**  
**NOTICE OF ADMISSION**  
**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**MUMBAI BENCH**  
**C.A.(CAA)/ /MB/2019**

In the matter of the Companies Act,  
2013;

And

In the matter of the Section 230 to 232  
and other applicable provisions of the  
Companies Act, 2013 and rules made  
thereunder;

And

In the matter of Scheme of Merger by  
Absorption amongst Marpol Private  
Limited, Perma Construction Private  
Limited ("the Transferor Companies")  
with Kansai Nerolac Paints Limited ("the  
Transferee Company").

Date: 17<sup>th</sup> December 2019

From: MARPOL PRIVATE LIMITED

To: The Registrar,  
NCLT (Mumbai Bench)

MARPOL PRIVATE LIMITED, a company )  
incorporated under the provisions of the )  
Companies Act, 1956 having its registered )  
office at Panandiker Chambers, 1st Floor, M.L. )  
Furtado Road, Margao, Goa - 403601. )  
CIN No. U24222GA1983PTC000532 ) ... Applicant Company



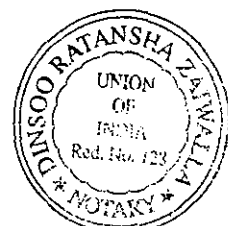
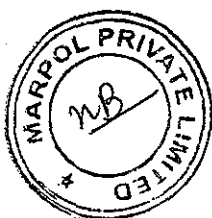
**The Party named above requests that the Tribunal grant the following reliefs:**

- a) The meeting of the Equity Shareholders of the Applicant Company be dispensed with.
- b) The meeting of the Secured Creditors of the Applicant Company be dispensed with.
- c) The meeting of the Unsecured Creditors of the Applicant Company be dispensed with.
- d) Direction for issue of notice to the authorities as required under the provision of Section 230(5) of the Companies Act 2013 be passed.
- e) For such further and other reliefs as this Hon'ble Tribunal may deem fit in the circumstances of this case.

In terms of Sections 230 to 232 and other applicable sections of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

**For the following reasons:**

1. The Applicant Company is the Wholly Owned Subsidiary of Kansai Nerolac Paints Limited with whom the Applicant Company is being amalgamated and therefore convening and holding of the meeting of the equity shareholders of the Applicant Company to consider and approve the Scheme of Amalgamation be dispensed with in view of the fact that Kansai Nerolac Paints Limited and its Nominee have given their consent in writing to the proposed Scheme of Amalgamation of Marpol Private Limited and Perma Constructions Aids Private Limited with Kansai Nerolac Paints Limited under the provisions of Sections 230 to 232 of the Companies Act, 2013.
2. The Applicant Company states that as on 30<sup>th</sup> September 2019 it has only 1 (one) Secured Creditor and the Applicant Company undertakes to issue notice under Section 230(3) of the Act to its Secured Creditor with a direction that it may submit its





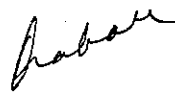
representations to this Hon'ble Tribunal, if any, within a period of 30 (thirty) days from the date of receipt of such notice, with a copy of the representation simultaneously served upon the Applicant Company. In view of the undertaking given by the Applicant Company to give notices, the convening and holding of the meeting of the Secured Creditors of the Applicant Company be dispensed with.

3. The Applicant Company states that it has 127 (one twenty seven) Unsecured Creditors and the Applicant Company undertakes to issue notice under Section 230(3) of the Act to all Unsecured Creditors with a direction that they may submit their representations to this Hon'ble Tribunal, if any, within a period of 30 (thirty) days from the date of receipt of such notice, with a copy of the representation simultaneously served upon the Applicant Company. In view of the undertaking given by the Applicant Company to give notices, the convening and holding of the meeting of the Secured Creditors of the Applicant Company be dispensed with.

In support of this Notice of Admission, the Applicant has attached the Company Scheme Application setting out the facts on which the Applicants rely.

**Name and Title of person signing on behalf of the Applicant Company:**

Mr. Prashant Devidas Pai



DIN NO: 08115481

Director of Marpol Private Limited

Address: Panandiker Chambers, 1st Floor, M.L.Furtado Road, Margao,  
Goa - 403601

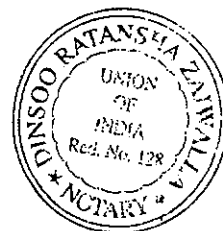
Tel No: 9892520084

E-mail: [prashantpai@nerolac.com](mailto:prashantpai@nerolac.com) / [marpol@marpolind.com](mailto:marpol@marpolind.com)

This form is prescribed under Rule 34 under NCLT Rules, 2016.

Identified by

Partner  
Kanga & Co.



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FORM NO. NCLT – 1  
(Regulation 34)  
BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
BENCH AT MUMBAI  
C.A.(CAA)/ /MB/2019

In the matter of the Companies Act, 2013;

And

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

And

In the matter of Scheme of Merger by  
Absorption of MARPOL PRIVATE LIMITED,  
PERMA CONSTRUCTION AIDS PRIVATE  
LIMITED (“the Transferor Companies”)  
With KANSAI NEROLAC PAINTS LIMITED  
(“the Transferee Company”).

MARPOL PRIVATE LIMITED, a company )  
incorporated under the provisions of the )  
Companies Act, 1956 having its registered )  
Office at Panandiker Chambers, 1st Floor, M.L. )  
Furtado Road, Margao, Goa - 403601. )  
CIN No. U24222GA1983PTC000532 )...Applicant Company

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**I. Jurisdiction of the Bench:**

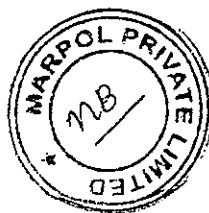
The Applicant Company declares that the subject matter of the Application is within the jurisdiction of the National Company Law Tribunal, Mumbai Bench as the Registered Office of the Applicant Company is situated in Margao, within the State of Goa.

**II. Limitation:**

The Applicant Company hereby submits that there is no limitation period prescribed under the National Company Law Tribunal Rules, 2016 for filing this Application under Section 230 to 232 of the Companies Act, 2013 ("the Act") read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("Rules").

**III. Facts of the case which are given below:**

1. The Scheme of Amalgamation provides for the Merger by Absorption of the Applicant Company ("Transferor Company No. 1"), Perma Constructions Aids Private Limited ("Transferor Company No. 2") with Kansai Nerolac Paints Limited ("Transferee Company") on a going concern basis ("Scheme of Amalgamation").
2. The Applicant Company is filing the present Application seeking the directions of the Hon'ble Bench for dispensation of the convening and holding of the meeting of the Equity Shareholders of the Applicant Company as the Applicant Company is the Wholly Owned Subsidiary of Kansai Nerolac Paints Limited, the Transferee Company. The Applicant Company is also seeking directions of the Hon'ble Bench for dispensation of convening and holding of the meetings of the Secured and Unsecured Creditors in view of the fact that the Applicant Company has only 1 (one) Secured Creditor and 127 (one twenty seven) Unsecured Creditors as on 30th September, 2019 and the Applicant Company undertakes to give notice of the



date of hearing of the Petition to its Secured Creditor and Unsecured Creditors.

3. Details of Applicant Company, Transferor Company No. 2 and the Transferee Company:

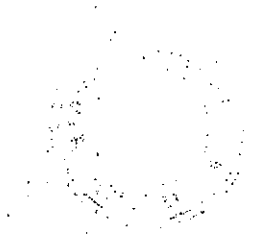
A. Marpol Private Limited ("Marpol"/ "Applicant Company"/ "Transferor Company No. 1")

- a. The Applicant Company is a private limited Company and is a Wholly Owned Subsidiary of Kansai Nerolac Paints Limited, the Transferee Company. The Applicant Company was incorporated on 5<sup>th</sup> April 1983 under the name of Marpol Chemicals Private Limited and registered with the Registrar of Companies Goa, Daman & Diu, Panaji. Thereafter on 6<sup>th</sup> November 2001 its name was changed to its present name and a fresh Certificate of Incorporation was issued by the Registrar of Companies Goa, Daman & Diu Panaji consequent upon change of name.
- b. The Applicant Company has its registered office situated at Panandiker Chambers, 1st Floor, M.L. Furtado Road, Margao, Goa - 403601.
- c. The details of share capital of the Applicant Company as on 30<sup>th</sup> September 2019 are as follows: -

Share Capital	Amount (Rs.)
<b>Authorised share capital</b>	
50,00,000 Equity Shares of Rs 10 each	5,00,00,000
Total	5,00,00,000
<b>Issued, Subscribed and fully paid up Share Capital</b>	
29,95,200 Equity Shares of Rs 10 each	2,99,52,000
Total	2,99,52,000

- d. Subsequent to September 30, 2019, there is no change in the authorised, issued, subscribed and paid-up share

*[Handwritten signature]*



capital of the Applicant Company.

- e. The shares of the Applicant Company are not listed on any stock exchanges in India.
- f. The Applicant Company is principally engaged in manufacture of powder coatings. The main objects of the Applicant Company as set out in the Main objects of the Memorandum of Association of the Applicant Company, *inter alia*, are given below:
  1. To manufacture, mix, buy, sell, refine, prepare, import, export and carry on the business in Alkyd Resins, Acrylic Resins, Polyester Resins, Polyurethane, Silicone, Fluoropolymer, Polycarbonate, Isocyanate Alkyds, Power coating Paints, Epoxies, Acrylics, epoxy Polyester Paints, electrophoretic paints, highsolid coating, water bourne coatings, water reducible coatings and non-aqueous dispersions.
  2. To buy, manufacture, mix, self-refine, prepare, import, export and to carry on any business in minerals, methylated and rectified spirits, dry or other colours, raw materials, pigments, dyes, paints, synthetic paints and thinners, coloured or other cements, varnishes, synthetic resins, enamels, lacquers, distempers, disinfectants, oil, wood preservative, fruit or vegetable or other preservatives, printings and marking inks, polishes, crayons, powers, electroplating, abrasive and its chemicals, she dressing, greases, vasilines, creams, glue, gelatin, and other glue preparations.



3. To refine, sell, mix, prepare for market, import, export and manufacture, prepare and extract, all kinds of turpentine including Canada turpentine from fine larchfir, pistachio and other trees and to prepare various oils, chemicals, drugs and different other products from the same.
4. To manufacture, produce, refine, process, formulate, buy, sell, export, import or otherwise deal in all types of heavy and light chemical elements and compounds, including without limiting the generality of the foregoing, laboratory, and scientific chemicals. If any nature used or capable of being used in the paint industry, agricultural chemicals, fertilisers, petro-chemicals, industrial chemicals or any mixtures, derivatives and compounds thereof and its deal in all types of chemicals, pharmaceuticals and biological preparations, drugs, vaccines, injections, acids, alcohols, wine or wine syrups, cordials, mineral waters, liquors, soaps, restorative tonics, antiseptic, antiseptic cotton and dressing and other allied products any by-products thereof.
5. To carry on the business as manufacturers and dealers in pharmaceutical, medical, chemical, industrial and other preparative and articles, compounds, oils, paints, pigments and varnishes, drugs, dyeware and dealers in proprietary articles of all kinds of electrical, chemicals, photographic, surgical and scientific apparatus and materials.



A certified true copy of the Memorandum and Articles of Association of the Applicant Company is annexed to this application as **Annexure - A.**

- g. The annual report of the Applicant Company as on March 31, 2019 and unaudited financial statement as on September 30, 2019 show the position of the assets and liabilities of the Applicant Company. A certified copy of the annual report as of March 31, 2019 and unaudited financial results as of September 30, 2019 of the Applicant Company are annexed herewith and marked as **Annexures – B-1 and B-2.**

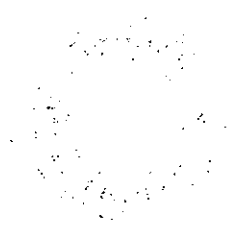
**B. Perma Construction Aids Private Limited (“Perma” or “Transferor Company No. 2”):**

- a. Perma was incorporated on 11<sup>th</sup> April 1997 and registered with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli as a Private Company and is a Wholly Owned Subsidiary of the Transferee Company.
- b. Perma has its registered office situated at Unit-II Plot No. 3102, GIDC Sarigam, Valsad Gujarat- 396155.
- c. The details of share capital of Perma as on 30<sup>th</sup> September 2019 are as follows: -

Share Capital	Amount (Rs.)
<b>Authorised share capital</b>	
15,00,000 Equity Shares of Rs 10 each	1,50,00,000
<b>Total</b>	1,50,00,000
<b>Issued, Subscribed and Fully Paid-Up Share Capital</b>	
9,90,000 Equity Shares of Rs. 10 each	99,00,000
<b>Total</b>	99,00,000



- d. Subsequent to September 30, 2019, there has been no change in the authorised, issued, subscribed and paid-up share capital of Perma.
- e. The shares of Perma are not listed on any stock exchanges in India.
- f. Perma is principally engaged in the business of construction chemicals. The main objects of Perma as set out in the Main objects of the Memorandum of Association of Perma, *inter alia*, are given below:
  - 1. To carry on the business of processing, converting, producing, manufacturing, formulating, using, buying, acquiring, storing, packing, selling, marketing, transporting, importing, exporting and disposing of chemicals including, integral water proofing compounds of concrete and mortar, crystalline based water proof coatings for concrete structures, elastomeric water proof coatings, plasticizers, non shrink grouts for machine foundation, repair, compounds based on acrylic and styrene butadiene rubber, water repellent coatings, polymer tile fixing adhesives epoxy floor toppings and coatings, polyurethane toppings and coatings and ancillary chemicals and compounds, on our behalf and on behalf of others, contracting for jobs applying above items, construction chemicals and chemical products of any nature and kind whatsoever and all allied and auxiliary products, derivatives, formulations, processes, bye-products and joint-products, construction activity, resins for fibre glass industry bitumen emulsion.





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A certified true copy of the Memorandum and Articles of Association of Perma is annexed as Annexure - [A] to the Company Scheme Application filed by Perma.

- g. The annual report of Perma as on March 31, 2019 and unaudited financial statement as on September 30, 2019 show the position of the assets and liabilities of Perma. A certified copy of the annual report as of March 31, 2019 and unaudited financial results as of September 30, 2019 of Perma are annexed as Annexures - [B-1] & [B-2] to the Company Scheme Application filed by Perma.

C. Kansai Nerolac Paints Limited ("Nerolac" or "the Transferee Company"):

- a. Nerolac is a listed public company and was incorporated on 2<sup>nd</sup> September 1920 under the Indian Companies Act, 1913 under the name of The Gahagan Paint & Varnish Company Limited. Thereafter on 18<sup>th</sup> April 1933 its name was changed to Goodlass Wall (India) Private Limited and a Certificate of change of name was issued by the Registrar of Companies, Bombay. Thereafter on 9<sup>th</sup> February 1946 its name was once again changed to Goodlass Wall Private Limited and a Certificate of change of name was issued by the Registrar of Companies, Bombay. Thereafter on 12<sup>th</sup> February 1958 its name was once again changed to Goodlass Nerolac Paints Limited and a Certificate of change of name was issued by the Registrar of Companies, Bombay. Thereafter on 11<sup>th</sup> July 2006 its name was changed to its present name and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Maharashtra, Mumbai consequent upon change of name.



- b. Nerolac has its registered office situated at Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400013, Maharashtra.
- c. The details of share capital of Nerolac as on 30<sup>th</sup> September 2019 are as follows: -

Share Capital	Amount (Rs.)
<b>Authorised share capital</b>	
60,00,00,000 Equity Shares of Re. 1 each	60,00,00,000
Total	60,00,00,000
<b>Issued Share Capital</b>	
53,89,19,720 Equity Shares of Re. 1 each	53,89,19,720
Total	53,89,19,720

- d. Subsequent to September 30, 2019, there has been no change in the authorised, issued, subscribed and paid-up share capital of Nerolac.
- e. The equity shares of Nerolac are listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") ("together referred to as "Stock Exchanges").
- f. Nerolac is principally engaged in the manufacturing of paints. A few of the objects of Nerolac as set out in the Main objects of the Memorandum of Association of Nerolac, *inter alia*, are given below:
- a) To acquire and take over as a going concern the business now carried on at Naigaum, Mumbai, under the style or firm of American Paint & Varinsh Co., and all or any of the assets and liabilities of the proprietor of that business in connection therewith and with a view thereto to enter into an Agreement with A.T. Mirza in the



terms of the draft a copy whereof has for the purpose of identification been subscribed by F.E. Dinshaw, an Attorney of the Bombay High Court, and to carry the same into effect with or without modification.

- b) To manufacture white lead, red lead, litharge, orange mineral, linseed oil and to purchase and sell the same, to manufacture, buy and sell paints, varnishes, oils, colours, enamels, mortar and cement, stains and coatings, water-proof coatings and compound, dyes, glue, putty, chemicals for making colour, paint brushes and other supplies for painters.
- c) To buy, sell, import, export, manipulate, prepare for market and deal in merchandise of all kinds and generally to carry on business as merchants, importers and exporters.
- (c1) To carry on the business of manufacturing and selling of pigments, Pigment Emulsions, Dispersions, Binder Materials, Thickeners, Chemicals, Dyes and Manures.

A certified true copy of the Memorandum and Articles of Association of Nerolac is annexed as Annexure – A to the company scheme application filed by Nerolac.

- g. The annual report of Nerolac as on March 31, 2019 and unaudited financial statement as on September 30, 2019 show the position of the assets and liabilities of Nerolac. A certified copy of the annual report as of March 31, 2019 and unaudited financial results as of September 30, 2019 along with Limited Review Report of Nerolac are annexed as **Annexures – B-1 & B-2** to the company scheme application filed by Nerolac.



4. The Board of Directors of the Applicant Company and the other companies involved in the Scheme by their separate resolutions passed at their respective meetings held on 25<sup>th</sup> July 2019, 26<sup>th</sup> July 2019 and 29<sup>th</sup> July 2019 have approved the Scheme of Amalgamation. Thereafter, BSE and NSE were informed about the Scheme of Amalgamation. The Scheme of Amalgamation along with the necessary documents as required under the relevant provision of law, will be submitted to the BSE and NSE. Hereto annexed and marked as **Annexure "C"** is a certified copy of the Board Resolution passed by the Applicant Company approving the Scheme of Amalgamation.
5. The Auditor's Certificate has not been obtained by the Applicant Company as required under Section 232(3) of the Act, as no accounting treatment has been specified for the Applicant Company as it will be amalgamated with the Transferee Company pursuant to the Scheme of Amalgamation.
6. The Applicant Company submits that the rationale for the Scheme of Amalgamation as considered by the Board while approving the said scheme are as under:

The merger will provide benefits of synergy, economies of scale, growth and expansion.

7. The salient features of the Scheme are as follows:

### 3. VESTING OF ASSETS:

- 3.1. With effect from the Appointed Date, the entire business and undertaking of Marpol and Perma including all their properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature, such as licenses, lease, tenancy rights, if any, and all other rights, title, interest, contracts, powers or benefits of every kind, nature and descriptions whatsoever shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT sanctioning this Scheme and without further act,

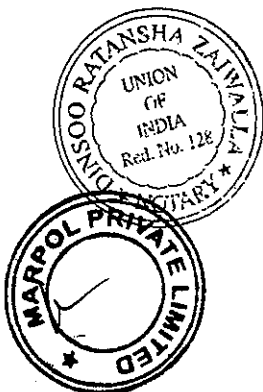


instrument or deed, but subject to the securities, mortgages, charges, encumbrances or liens, if any, existing as on the Effective Date be transferred and / or deemed to be transferred to and vested in Nerolac so as to become the properties and assets of Nerolac.

- 3.2. However, in respect of such of the assets of Marpol and Perma as are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery. The same may be so transferred by Marpol and Perma, without requiring any deed or instrument or conveyance for the same and shall become the property of Nerolac to the end and intent that the ownership and property therein passes to Nerolac on such handing over, which would take place on the Effective Date or thereafter on a date as may be decided by the Board of Directors of Nerolac.

#### 4. TRANSFER OF LIABILITIES

- 4.1. With effect from the Appointed Date, all debts, liabilities, duties and obligations of Marpol and Perma as on the close of business on the date immediately preceding the Appointed Date, whether or not provided for in the books of Marpol and Perma and all other liabilities of Marpol and Perma which may arise or accrue on or after the Appointed Date upto the Effective Date, but which relate to the period on or upto the Appointed Date shall under the provisions of sections 230 to 232 of the Act and pursuant to the Orders of the NCLT sanctioning this Scheme and without any further act or deed, be transferred or deemed to be transferred to and vested in and be assumed by Nerolac, so as to become as from the Appointed Date, the debts, liabilities, duties and obligations of Nerolac on the same terms and conditions as were applicable to Marpol and Perma, Provided however that any charges, mortgages and/or encumbrances shall be confined only to the relative assets of Marpol and Perma or part thereof



on or over which they are subsisting on transfer to and vesting of such assets in Nerolac and no such charges, mortgages, and/or encumbrances shall be enlarged or extend over or apply to any other asset(s) of Nerolac. Any reference in any security documents or arrangements (to which Marpol and Perma are parties) to any assets of Marpol and Perma shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Nerolac and Nerolac shall not be obliged to create any further or additional security.

- 4.2. For the removal of doubt, it is clarified that to the extent that there are deposits, obligations, balances or other outstanding's as between Marpol, Perma and Nerolac, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of Nerolac for the reduction of such assets or liabilities, as the case may be, and there would be no accrual of interest or any other charges in respect of such deposits or balances, with effect from the Appointed Date.

## 5. LEGAL PROCEEDINGS

- 5.1. If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against Marpol and Perma are pending on the Effective Date, the same shall not abate or be discontinued nor in any way be prejudicially affected by reason of the amalgamation of Marpol and Perma with Nerolac or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against Nerolac as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against Marpol and Perma, in the absence of the Scheme.

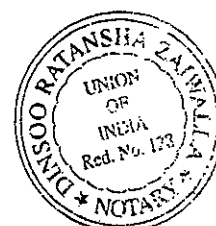


## 6. CONTRACTS AND DEEDS

- 6.1. All contracts, deeds, bonds, agreements, arrangements, incentives, licences, engagements, registrations and other instruments of whatsoever nature to which Marpol and Perma are parties or to the benefit of which Marpol and Perma may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of Nerolac, as the case may be, and may be enforced by or against Nerolac as fully and effectually as if, instead of Marpol and Perma, Nerolac had been a party or beneficiary thereto.
- 6.2. Nerolac shall, if and to the extent required by law, enter into and/or issue and/or execute deeds, writings or confirmations, to give formal effect to the provisions of this Clause and to the extent that Marpol and Perma are required prior to the Effective Date to join in such deeds, writings or confirmations, Nerolac shall be entitled to act for and on behalf of and in the name of Marpol and Perma.

## 7. SAVING OF CONCLUDED TRANSACTIONS

- 7.1. The transfer of the assets and liabilities of Marpol and Perma under Clauses 3 and 4 above, the continuance of Proceedings under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above, shall not affect any transaction or Proceedings already concluded by Marpol and Perma on or before the Effective Date, to the end and intent that Nerolac accepts and adopts all acts, deeds and things done and executed by Marpol and Perma in respect thereto, as if done and executed on its behalf.



## 8. EMPLOYEES

- 8.1. All the employees of Marpol and Perma in service on the Effective Date shall, on and from the Effective Date, become the employees of Nerolac without any break or interruptions in their service and upon the terms and conditions not less favourable than those on which they were engaged on the Effective Date.
- 8.2. With regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of Marpol and Perma, upon the Scheme becoming effective, Nerolac shall stand substituted for Marpol and Perma for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations 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.

## 9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

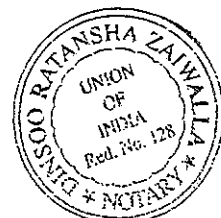
- 9.1. Marpol and Perma shall be deemed to have been carrying on and shall carry on their respective business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of their respective assets for and on account of, and in trust for Nerolac and all profits or dividends or other rights accruing to Marpol and Perma and all taxes thereof, or losses arising or incurred by them, relating to such investments, shall, for all intent and purpose, be treated as the profits, dividends, taxes or losses, as the case maybe, of Nerolac.
- 9.2. Marpol and Perma shall carry on their respective business and activities with reasonable diligence, business prudence and





shall not (without the prior written consent of Nerolac) alienate, charge, mortgage, encumber or otherwise deal with or dispose of their respective undertaking or any part thereof, except in the ordinary course of business.

- 9.3. All the profits or income, taxes (including advance tax and tax deducted at source) or any costs, charges, expenditure accruing to Marpol and Perma or expenditure or losses arising or incurred or suffered by Marpol and Perma shall for all purposes be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of Nerolac, as the case may be.
- 9.4. Marpol and Perma shall not vary the terms and conditions of service of their respective employees except in the ordinary course of their business.
- 9.5. On and after the Appointed Date and until the Effective Date, Marpol and Perma shall not without the prior written consent of the Board of Directors of Nerolac:
  - (i) except as contemplated under this Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise; or
  - (ii) utilize, subject to Clause 10.1 below, the profits, if any, for any purpose including of declaring or paying any dividend.
- 9.6. It is clarified that all taxes payable by Marpol and Perma, relating to the transferred undertaking, from the Appointed Date onwards including all or any refunds and claims shall, for all purposes, be treated as the tax liabilities or refunds and claims of Nerolac.
- 9.7. This Scheme has been drawn up to comply with and fall within the definition and conditions relating to "Amalgamation" as specified under Section 2(1B) and other



applicable provisions of the Income Tax Act, 1961, as amended. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Sections of the Income Tax Act, 1961, at a later date, including resulting from amendment of law or for any other reason whatsoever, the Scheme shall stand modified / amended / altered to the extent determined necessary to comply with and fall within the definition and conditions relating to "Amalgamation" as specified in the Income Tax Act, 1961. In such an event, the Clauses which are inconsistent shall be read down or if the need arises be deemed to be deleted and such modification/reading down or deemed deletion shall however not affect the other parts of the Scheme.

- 9.8. Upon the Scheme becoming effective, Nerolac is expressly permitted and shall be entitled to revise its financial Statements and Returns along with prescribed Forms, fillings and annexures under the Income Tax Act, 1961, as amended, (including for minimum alternate tax purposes and tax benefits, ) GST law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.
- 9.9. Marpol and Perma, shall preserve and carry on their respective businesses and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comforts or commitments for themselves or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the undertaking or any part thereof save and except in each case in the following circumstances:



- (a) If the same is in their ordinary course of business as carried on by both as on the date of filing this Scheme with the NCLT; or
- (b) If the same is permitted by this Scheme; or
- (c) If the same is permitted by a written consent of the Board of Directors of Nerolac; or
- (d) If the same is pursuant to any pre-existing obligations undertaken by Marpol and Perma.

9.10. Marpol and Perma shall not, without prior written consent of Nerolac, undertake any new Business.

9.11. Marpol and Perma shall not, without prior written consent of Nerolac, take any major policy decisions in respect of the management of either Marpol or Perma and for the business of either companies and shall not change their present capital structure.

9.12. Marpol and Perma shall co-operate with Nerolac for smooth transfer of the businesses and undertakings from Marpol and Perma to Nerolac and any of respective Directors of Marpol and Perma and any Directors of Nerolac shall be empowered to give effect to the Scheme in all aspects as may be necessary or expedient including settling any question or difficulties arising in relation to the Scheme in such manner as they deem fit to attain the objective of this Scheme and their decision in this regard shall be final and binding.

## 10. DIVIDENDS

10.1. Marpol, Perma and Nerolac shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Appointed Date. The dividend, if any, shall be declared by Marpol and Perma only with the prior written consent of the



Board of Directors of Nerolac, as mentioned in Clause 9.5 above.

10.2. Subject to the provisions of the Scheme, the profits of Marpol and Perma, for the period beginning from the Appointed Date, shall belong to and be the profits of Nerolac and will be available to Nerolac for being disposed of in any manner as it thinks fit.

10.3. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Marpol and/or Perma and/or Nerolac to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of Nerolac, subject to such approval of the shareholders, as may be required.

#### 11. CONSIDERATION:

11.1. As the entire Paid up Equity Share Capital of Marpol and Perma is held by Nerolac, upon the Scheme becoming effective the entire paid up Equity Share Capital of Marpol and Perma shall stand automatically cancelled and there will not be any issue and allotment of shares of Nerolac.

#### 12. DISSOLUTION OF MARPOL AND PERMA

On the Scheme becoming effective, Marpol and Perma shall stand dissolved without being wound up without any further act by the parties.

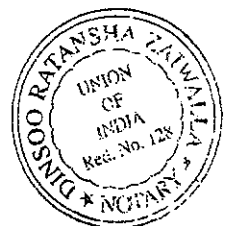
A true copy of the Scheme of Amalgamation is hereto annexed and marked at **Annexure - D**

8. The Board of Directors of the Transferor Companies and the Transferee Company have, at their respective Meetings, passed resolutions unanimously approving the Scheme of Amalgamation. None of the Directors of the Transferor Companies or the Transferee



Company has any interest in the said Scheme, save and except to the extent of their respective shareholding in the Transferor Companies and the Transferee Company.

9. The aggregate assets of Transferee Company post amalgamation would be sufficient to meet the aggregate liabilities of the Transferor Companies and the Scheme of Amalgamation will not adversely affect the rights of any creditors of the Applicant Company and the Transferee Company in any manner and due provisions have been made for payment of all liabilities as and when the same fall due in the usual course of business.
10. The Applicant Company is the Wholly Owned Subsidiary of the Transferee Company and the convening and holding of the meeting of the equity shareholders of the Applicant Company to consider and approve the Scheme of Amalgamation be dispensed with in view of the fact that the entire paid-up share capital of the Applicant Company is held by the Transferee Company and its nominee and both of them have given their consent in writing to the proposed Scheme. The Consent Affidavits are hereto annexed and marked as **Annexure – E-1 and E-2**. The list of equity shareholders of the Applicant Company is annexed hereto and marked as **Annexure – F**.
11. The Applicant Company states that as on 30<sup>th</sup> September 2019 it has 1 (one) Secured Creditor and the Applicant Company undertakes to issue notice under Section 230(3) of the Act to its Secured creditor with a direction that it may submit its representation to this Hon'ble Tribunal, if any, within a period of thirty days from the date of receipt of such notice, with a copy of the representation simultaneously served upon the Applicant Company. In view of the undertaking given by the Applicant Company to give notice as stated above, this Hon'ble Tribunal be pleased to dispense with the convening and holding of the meeting of the Secured creditors of the Applicant Company. The list containing the name of the Secured Creditor of the Applicant Company is annexed hereto and marked as **Annexure – G**.



12. The Applicant Company states that it has 127 (one twenty seven) unsecured creditors of the aggregate value of Rs. 13,45,66,669.74 as of September 30, 2019. The basis of classifying the said creditors as "unsecured" is because no security or charge or lien over any of the assets of the Applicant Company exists with the said unsecured creditors. The said unsecured creditors are in the nature of creditors who are suppliers of goods and services other than the Transferee Company, included in the list of unsecured creditors, which is also involved in the day to day affairs of the Applicant Company. The said unsecured creditors do not comprise of any statutory liabilities or dues which shall be paid and honored by the Applicant Company in accordance with the relevant Act, Rules and Regulations as may be applicable to the said statutory liability. The list of unsecured creditors of the Applicant Company as on 30<sup>th</sup> September 2019 indicating their names and amounts owed to them as certified by an Independent Chartered Accountant along with break-up chart thereon is marked and annexed as **Annexure – H**. The Applicant Company states that it has only 127 (one twenty seven) Unsecured Creditors and the Applicant Company undertakes to issue notice under Section 230(3) of the Act to all unsecured creditors with a direction that they may submit their representations to this Hon'ble Tribunal, if any, within a period of thirty days from the date of receipt of such notice, with a copy of the representation simultaneously served upon the Applicant Company. In view of the undertaking given by the Applicant Company to give notices as stated above, this Hon'ble Tribunal be pleased to dispense with the convening and holding of the meeting of the unsecured creditors of the Applicant Company.

13. The Applicant Company also prays that requisite directions be passed by this Hon'ble Tribunal to issue notice under Section 230(3) of the Act to the concerned regulatory and statutory authorities as required under the provisions of Section 230(5) of the Act i.e. to the Stock Exchanges, the Registrar of Companies and the Central Government (Regional Director, Western Region Mumbai), official



liquidator and the income tax authorities with a direction that they may submit their representations, if any, within a period of thirty days from the date of receipt of such notice, to this Hon'ble Tribunal with a copy of the representations simultaneously served upon the Applicant Company. The Applicant Company submits that given that the restructuring envisaged in the Scheme of Amalgamation is within the same group and the Applicant Company is a wholly owned Subsidiary of the Transferee Company and therefore falls within the relaxation provisions of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 and consequently prior approval of the Competition Commission of India under the Competition Act, 2002 is not required.

14. There are no investigation proceedings pending under Section 235 to 251 of the Companies Act, 1956 and under section 210 to 229 of the Companies Act, 2013 against the Applicant Company. As far as the Applicant Company is aware, no winding up petitions have been admitted or filed against the Applicant Company. The Scheme of Amalgamation does not in any way violate, override, and circumvent any provisions of the Act or Rules, Regulations and guidelines under the Act.
15. Mr. Prashant Devidas Pai, Director, of the Applicant Company is signing this Application on behalf of the Applicant Company pursuant to the board resolution dated 25th July, 2019 passed by the Board of Directors of the Applicant Company. The Applicant Company further states that the matter regarding the Application is not pending before any Tribunal of law or any other authority or Tribunal.
16. An Affidavit verifying the Application is enclosed as **Annexure - I**.



#### IV. Relief(s) sought

In view of the facts mentioned above, the Applicant Company prays for the following reliefs, and seeks Directions/ Orders of this Hon'ble Tribunal inter alia under Section 230 of the Companies Act, 2013 for:

##### 1. Dispensing the Meeting of Equity Shareholders:

In the above circumstances and in view of the submissions made in Point No. 10, Para III of this application, the Applicant Company humbly prays that this Hon'ble Bench of National Company Law Tribunal may be pleased to dispense with the convening and holding of the meeting of the Equity Shareholders of the Applicant Company.

##### 2. Dispensing with holding of the meeting of the Secured Creditors:

In view of the submissions made in Point No. 11, Under Para III of this application, the Applicant Company humbly prays that this Hon'ble Bench of National Company Law Tribunal may be pleased to dispense with the convening and holding of the meeting of the Secured Creditors of the Applicant Company.

##### 3. Dispensing with holding of the Meeting of Unsecured Creditors:

In view of the submissions made in Point No. 12, Under Para III of this application, the Applicant Company humbly prays that this Hon'ble Bench of National Company Law Tribunal may be pleased to dispense with the convening and holding of the meeting of the Secured Creditors of the Applicant Company.

##### 4. Directions for issuing notices to the Statutory Authority, Secured and Unsecured Creditors of the Applicant Company -





- a. To issue notice to the Secured Creditors for seeking their representations if any, on the Scheme of Amalgamation as undertaken in Point No. 11 of Para III of this application.
- b. To issue notices to the Unsecured Creditors for seeking their representations if any, on the Scheme of Amalgamation as undertaken in Point No. 12 of Para III of this application.
- c. It is prayed that this Hon'ble Tribunal may be pleased to direct notices to be issued to the Statutory Authorities as per the provisions of Section 230 (5) of the Act and rule 8 of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.
- d. For such further and other reliefs as this Hon'ble Tribunal may deem fit in the circumstances in this case.

**V. Payment of Fees:**

The Applicant Company has paid the fee of Rs. 5,000 prescribed under the Act.

Identified by

B. Vardya

Partner

Kanga & Co.

Advocate for the Applicant

Prashant Devidas Pai

*Prashant*

Director

Mobile No.: 9892520084

E-mail: prashantpai@nerolac.com

Date: 12<sup>th</sup> Day of December, 2019

Place: Mumbai



LIST OF ANNEXURES:

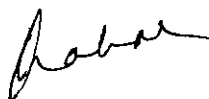
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Sl. No.	Details of Documents annexed	Annexure	Page No.
1.	Certified true copy of Memorandum and Articles of Association.	A	30-66
2.	Annual Report of the Applicant Company as on 31 <sup>st</sup> March, 2019.	B-1	67-139
3.	Unaudited financial statements of Applicant Company for the period ended 30 <sup>th</sup> September, 2019.	B-2	140-141
4.	Certified true copy of the Board Resolution dated 25 <sup>th</sup> July 2019 passed by the Board of Directors of the Applicant Company approving the Scheme of Amalgamation	C	142-
5.	Certified copy of the Scheme of Amalgamation approved by the Board of Directors of the Applicant Company	D	143-179
6.	Consent Affidavits of the Equity Shareholders of the Applicant Company	E-1 & E-2	180-182 183-186
7.	List of Equity Shareholders of the Applicant Company	F	187-188
8.	List of Secured Creditors of Applicant Company	G	189-190
9.	List of Unsecured Creditors of Applicant Company certified by a Chartered Accountant confirming the said list of Unsecured creditors	H	191-195
10.	Affidavit of Mr. Prashant Devidas Pai, Director of the Applicant Company,	I	196-198



	verifying the application		
11.	Vakalatnama		199-200

For Marpol Private Limited



Name: Prashant Devidas Pai

Director

DIN: 08115481

Dated this 7<sup>th</sup> day of December 2019

Identified by  
B. Vaidya  
Partner  
Kanga & Co.



ANNEXURE - "A"



**MEMORANDUM OF ASSOCIATION  
AND  
ARTICLES OF ASSOCIATION  
OF  
MARPOL PRIVATE LIMITED**

**Certified True Copy**

**For MARPOL PRIVATE LIMITED**

*[Signature]*  
**Director**



**FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME**

In the office of the Registrar of Companies, Goa.

In the matter of \* MARPOL CHEMICALS PRIVATE LIMITED

I hereby approve and signify in writing under section 21 of the Companies Act, 1956 (Act 1 of 1956) read with the Government of India, Department of Company Affairs Notification No. G. S. R.507E dated the 24th June, 1985 the change of name of the company from

**MARPOL CHEMICALS PRIVATE LIMITED**

to

**MARPOL PRIVATE LIMITED**

I hereby certify that MARPOL CHEMICALS PRIVATE LIMITED which was Originally incorporated on FIFTH day of APRIL 1983 under the COMPANIES ACT, 1956 and under the name MARPOL CHEMICALS PRIVATE LIMITED in the STATE OF GOA having duly passed the necessary resolution in terms of section 21 of the Companies, Act, 1956 the name of the said company is this day changed to

**MARPOL PRIVATE LIMITED**

and this certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at PANAJI this SIXTH day of NOVEMBER 2001 (TWO THOUSAND ONE) (15 KARTIKA, SAKA 1923).

Sd/-  
(M. Ahmed Kunju)  
Registrar of Companies  
Goa, Daman & Diu  
Panaji.



- \* Here give the name of the company as existing prior to the change.
- \*\* Here give the name of the Act(s) under which the Company was originally registered and incorporated



THE COMPANIES ACT, 1936  
COMPANY LIMITED BY SHARES

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MEMORANDUM OF ASSOCIATION  
OF  
**MARPOL PRIVATE LIMITED**

- I. The name of the Company is MARPOL PRIVATE LIMITED.
- II. The Registered Office of the Company will be situated in the Union Territory of Goa, Daman and Diu.
- III. The Objects for which the Company is established are:

(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY  
ON ITS INCORPORATION:-

- 1 To manufacture, mix, buy, sell, refine, prepare, import, export and carry on the business in Alkyd Resins, Acrylic Resins, Polyester Resins, Polyurethane, Silicone, Fluoropolymer, Polycarbonate, Isocyanate Alkyds, Powder coating Paints, Epoxies, Acrylics, epoxy polyester paints, electrophoretic paints, highsolid coatings, water borne coatings, water reducible coatings and non-aqueous dispersions.
- 2 To buy, manufacture, mix, sell refine, prepare, import, export, and to carry on any business in minerals, methylated and rectified spirits, dry or other colours, raw materials, pigments, dyes, paints, synthetic paints and thinners, coloured or other cements, varnishes, synthetic resins, enamels, lacquers, distempers, disinfectants, oil, wood preservative, fruit or vegetable or other preservatives, printings and marking inks, writing inks, polishes, crayons, powders, electroplating, abrasive and its chemicals, she dressing, greases, vaselines, creams, glue, gelatine, and other glue preparations.
- 3 To refine, sell, mix, prepare for market, import, export and manufacture, prepare and extract, all kinds of turpentine including Canada turpentine from fine larchfir, pistachio and other trees and to prepare various oils, chemicals, drugs and different other products from the same.
- 4 To manufacture, produce, refine, process, formulate, buy, sell, export, import, or otherwise deal in all types of heavy and light chemicals, chemical elements and compounds, including without limiting the generality of the foregoing, laboratory, and scientific chemicals If any nature used or capable of being used in the paint industry, agricultural chemicals, fertilisers, petro-chemicals, industrial chemicals or any mixtures, derivatives and compounds thereof and its deal in all types of chemicals, pharmaceuticals and biological preparations, drugs, vaccines, injections, acids, alcohols, wine or wine syrups, cordials, mineral waters, liquors, soaps, restorative tonics, antiseptic, antiseptic cotton and dressing and other allied products any by-products thereof.



- 5 To carry on the business as manufacturers and dealers in Pharmaceutical, medical, Chemical, industrial and other preparative and articles, compounds, oils, paints, pigments and varnishes, drugs, dyeware and dealers in proprietary articles of all kinds of electrical, chemicals, photographic, surgical and scientific apparatus and materials.

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(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:

- 6 To carry on any other business in connection with the above mentioned business that is at any time customary or usually carried on in connection therewith or incidental thereto.
- 7 To acquire and undertake the whole or any part of the goodwill, business, concern, undertaking, properties, rights, assets, and liabilities from any individual, firm, association, trust, society, company or corporation carrying on any business which this Company is authorised to carry on or purchase any property suitable for the purpose of this Company and to pay for the same by shares in or debentures of this Company or by cash or in satisfaction of the Company's claim, loans, advances or otherwise or partially in one way and partially in the other way and to conduct, expand and develop and wind up, liquidate such business and purchase and to take steps for the acquisition of existing or new licences in connection with any such business.
- 8 To acquire by purchase or otherwise or other build, construct, alter, maintain, enlarge, pull down, demolish, remove, or replace and to work, manage and control any lands, buildings, offices, factories, mills, ships, machinery, engines, roadways, tramways, sidings, bridges, wharves reservoirs, water courses, electric works, and other works and conveniences which may seem calculated directly or indirectly to advance the interests of the Company and to join with any other person or company in doing any of these things.
- 9 To acquire from any person or company within or out of India technical information knowhow, processes, engineering, manufacturing and operating data, plans, lay-outs and blue prints, useful for any of the business of the Company and to acquire any grant of licence and other rights and benefits in the foregoing matters and things.
- 10 To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose of the whole or any of the undertakings, property, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for stocks or shares, whether fully or partly paid up, or securities of any other company.
- 11 To pay for any rights or property acquired by the Company and to remunerate any person or company rendering services to the Company either by cash payment or by allotment to him or them of shares or securities of the Company as paid up in full or in part or otherwise.
- 12 To draw, make, accept, endorse, discount, negotiate, execute, and issue Bills of Exchange, Promissory Notes, Bills of Lending, Warrants, debentures and other negotiable or transfer able instruments or securities.
- 13 To undertake financial and commercial obligations, transactions and operations of all kinds in connection with any of the business of the Company.



- 14 To apply for, purchase or otherwise to acquire and renew in any part of the world any patents, patent rights, brevets d'invention, trade marks, designs, licences, concessions and the like concerning, any exclusive or non-exclusive or limited rights to their use or any secret or other information as to pay invention which may seem capable of being used for any of the purpose of the Company or the acquisition of which may seem calculated, directly or indirectly, to benefit the Company and to use, exercise, develop or grant licences in respect of or otherwise turn to account the property, rights or information so acquired and to expend money in experimenting upon, testing or improving any such patents inventions or rights.
- 15 To provide for the welfare of shareholders, ex'-share-holders, directors and ex-directors and employees' or ex-employees of the Company and the wives, widows or families, or dependents or connections of such persons by building or contributing or the building of houses, dwellings or chawls or by grants of money, pensions, allowances, bonus or other payments of by creating and from time to time, subscribing or contributing to any funds or to Provident fund, and other associations, institutions funds or trusts and by providing or subscribing or contributing towards places of instruction and recreations, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit and to subscribe or contribute for or otherwise to assist or to grant money to charitable and other trusts whether private, public, discretionary, vested or specific, benevolent, religious, scientific, national or to other institutions or . objects, which shall have any moral or other claims to support or aid by the Company, either by reason of locality or operation or of public general utility or otherwise.
- 16 To enter into contracts, agreements and arrangements with any other company for carrying out by such other Company on behalf of the Company, or any of the objects for which the Company is formed.
- 17 To select and provide experts and experienced knowledge in the various fields of industrial, technical and administrative management.
- 18 To give or acquire know how, technical information specification data, method of analysis to or from any Indian/Foreign person/s, Firm/s, Company/ies in any part of the world.
- 19 To establish, provide, maintain and conduct or otherwise subsidise, research and experimental workshop for scientific and technical research and experiments and to undertake and carry on with all tests of all kinds and to promote studies and research, both scientific and technical investigations and inventions by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and providing for the award of scientific or technical professors, teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the businesses which the Company is authorised to carry on.
- 20 To manufacture perfumes, essences, compounds, capsules, and all kinds of adhesives necessary for making and marketing the products of the Company in a palatable and presentable form.





- 21 Subject to the provision of Sec.58A and 58B of the Companies Act, 1956 to raise or borrow money from time to time for any of the purposes of the Company by receiving advances of any sum or sums of money with or without security upon such terms as the Directors may deem expedient and in particular by taking deposits from or open accounts current with any individual or firms including the Agents of the Company or any Bank or Bankers (Whether or without giving the security) or by mortgaging or selling or receiving advances on the sale of any lands, buildings, machinery, goods or other property of the Company, or by the issue of the debentures or debenture-stock, perpetual or otherwise, charges upon all or any of the Companies properties (both present and future) including its uncalled capital, or by such other means as the Directors may in their absolute discretion deem expedient.
- 22 Subject to the provisions of Sec.58A of the Companies Act and the Rules and the directions of the Reserve Bank of India if any applicable to borrow or raise or secure the payment of money or to receive money and deposit as time deposit or otherwise at interest for any such purpose of the Company and at such time or times and in such manner as may be thought fit and in particular by the creation and issue of debentures or debenture-stock, bonds, shares credited as fully or partly paid-up, obligations, mortgages, charges and securities of all kinds, either perpetual or otherwise, either redeemable annuities and in and as and by way of securities for any such money so borrowed, raised or received or of any such debentures or debenture-stock, bonds, obligations, mortgages, charges and securities of all kinds either so issued to mortgage, Pledge or charge the undertaking or whole or any part of the property, rights, assets or revenue and profits of the Company, present or future including its uncalled capital or otherwise however by trust and special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers as may seem expedient and to purchase, redeem or pay off any such securities.
- 23 To amalgamate, enter into partnership or into any agreement for sharing profits or losses, union of interest co-operation, joint adventure or reciprocal concession, or subject to MRTPT Act for limiting competition with any person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which the Company is authorised to carry conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired, any shares, debentures, debentures-stock or securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any shares, debentures, debenture-stock or securities so received.
- 24 To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards, and donations subject to Sec. 293 A of the Companies Act, 1956.
- 25 Subject to the provision of Sec. 293 (A) of the Companies Act, 1956 to make donations to such persons, institutions. and in such cases and either of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's object or otherwise expedient and in particular to remunerate any person or corporation including business to this Company and also subscribe, contribute or otherwise assist or guarantee money for charitable, scientific, religious, benevolent, national, public, or other institutions or objects or for any exhibition or for any public, general or other objects.



- 26 To provide for the welfare of shareholders, ex-shareholders, directors and ex-directors and employees or ex-employees of the Company and the wives, widows and families or the dependent or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grants of money, pension, allowances, bonus or other payment or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts, and by providing or subscribing or contributing towards places of instructions and recreations, hospitals and dispensaries, medicals and other attendance and other assistance as the Company shall think fit, and to subscribe or contribute for otherwise to assist or to grant money to charitable whether private, public, discretionary, vested or specific benevolent, religious, scientific, national, or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation or of public and general utility or otherwise.
- 27 To payout of the funds of the Company all expenses which the Company may lawfully pay with respect to the promotion, formation and, registration of, the Company or the issue of its capital including brokerage and commission for obtaining applications for or taking, placing or underwriting, or procuring the underwriting of shares, debentures or other securities of the Company.
28. To pay all preliminary expenses of any Company promoted by the Company or any Company in which the Company is or may contemplate being interested, including in such preliminary expenses all or any part of the costs and expenses of owners of any business or property acquired by any such Company.
- 29 Subject to the provisions of Section 206 of the Companies Act, 1956 to distribute among the members either at the time of redemption or reduction of capital or otherwise in specie any property of the Company or any proceeds of sale or disposal of any property of the Company, but so that no distribution amounting to a reduction of capitals be made except with the sanction, if any, for the time being required by law.
- 30 To insure the whole or any part of the property of the Company either fully or partially to protect and indemnify the Company from liability or loss, in any respect either fully or partially and also to insure, and to protect and indemnify any part or portion thereof either on mutual principle or otherwise.
- 31 To carry out in any part of the work all or any part of the Company's objects as principals, agents, factors, trustees, contractors, or otherwise and by or through trustees or agents or otherwise and either alone or in conjunction with any other person, firm, associations, corporate body, municipality, province, state, body politic or government.
32. To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all states, territories, possessions, colonies and dependencies thereof and in any or all foreign countries, and for this purpose to have and maintain and to discontinue such number of officers and agencies therein as may be convenient.
- 33 And generally to do all and everything which is or may be in any way considered incidental or conducive to the carrying into effect of all or any of the Company and to carry out the said objects or any of them either on account of the Company or in connection with any other Company, Corporation, firms, association of persons.



## (C) OTHER OBJECTS NOT INCLUDED UNDER (A) AND (B) ABOVE:

- 34 To carry on the business in India or elsewhere of manufacturers and dealers, importers and exporters of plastic materials and plastic goods of all kinds, including in the term of plastic, all types of plastics that may be derived from any process or may be incidentally hereafter discovered in dealing with plastics.
- 35 To manufacture, buy, sell, convert and fabricate film, bags, tubes, pipes, glow signs, oriented types and fibres for sacks, tarpaulins, containers of all types of any size of or shape, rigid, flexible or composite or both from any thermoplastics or thermosetting material by the moulding, processing, extruding, blowing, vacuum forming or any combination of the above and any other method of forming or conversion which may be discovered hereafter and to undertake the sealing, printing, stamping, shaping and packing of articles, mentioned above.
- 36 To promote, establish, acquire and run or otherwise carry on the business of manufacturers of and dealers in styrene, polystyrene, polyethylene, both low density and high density, polypropylene and alkathene, both by the blow moulding and injection moulding, vinylchloride, polyvinylchloride, cellulose plastics, nylon, P. V. Moulding powder, cellulose acetate moulding powder, thermosetting and thermoplastic materials (synthetic and natural origin) wax, bakelite, celluloid products and other articles and things whatever made of, out of, with or containing any of the said products or combination and to sell, purchase, acquire or deal in materials or things in connection with such trade, industry or manufacture and to carry on, among other things the film and sheet extrusion of polyethylene and other thermoplastic and to do all things as are usual or necessary in relation to or in connection with the business or industry or manufacture of plastic and plastic goods in general.
- 37 To carry on the business of manufacturers and dealers in plastic tubes, sheets, rods, wrapping materials, insulating materials, bottles, containers, furniture, electrical fittings, radio and other appliances and ornaments of composition of a synthetic and plastic powder and all other articles made of, out of, with the aforesaid materials or their by-products, compounds or their derivatives and all other blow moulded, formed or extruded goods and articles.
- 38 To carry on the business of waterproofers and manufacturers of India rubber, leather, imitation leather, leather cloth, plastic, oil cloth, linoleum, tarpaulin, hospital sheetings and surgical bandages.
- 39 To carry on all or any of the business as manufacturers of and dealers and workers in, cements of all kinds, lime, plasters, whiting, clay, gravel, sand, minerals, earth, artificial stone and builder's requisites made out of cement.
- 40 To undertake, carry out, layout, promote, sponsor or assist in any activity project for rural development including any programme for promoting the social and economic welfare of or the uplift of the people in any rural area irrespective whether the Company has any business dealings in such areas or not and to incur any expenditure or use any of the assets and facilities of the Company on any programme or project or activity of rural development and to assist execution and promotion thereof either directly or in association with any other Company or



through an independent agency or in any manner as the Board of Directors may deem fit. Board of Directors may at their discretion in order to implement any of the projects or programmers or activities of rural development, transfer without consideration or at such fair or concessional value and divest the ownership of the property of the Company to or in favour of any public or local body, authority central or state Government or any public institution or trust.

- 41 To carry on all or any of the business of prospecting, exploring, mining, winning, importing, exporting, dealing, processing, buying, selling and distributing and generally dealing in earth and ore of all kinds including iron ore, ferro-manganese, china clay, quartz, silica, abrasive minerals, aluminium minerals, anhydrite, antimony, minerals, aquamarine, asbestos, barium minerals, bauxite, fluorspars and other.
- 42 To manufacture, produce, distribute, sell, make research, import, export and to deal in all kinds of drugs, pharmaceuticals, medicinal preparations, dyes, pesticides, chemicals, cosmetics, their intermediates including sophisticated items of every description in the form of vials, injections, orals, syrups, tablets, capsules and in any such other forms for human as well as animal use and all kinds of packing materials such as containers, bottles, tins, strips, wooden cases required for packing the products of the Company.
- 43 To act and carry on the business of distribution, selling agents, manufacturers, commission agents, producers, dealers, general brokers in all kinds of drugs, pharmaceuticals, medicinal preparations, cosmetics, fats, fertilizers, dips, dyes, intermediates, sprays, disinfectants, manures, vermifuges, fungicides, insecticides, pesticides; agricultural fruit growing or other purposes or remedies for human or animals whether from vegetables or animal matters or by any chemical processes including sophisticated items of every description and other allied products for human and animal use and to take over or construct, manufacture plants machineries, buildings, laboratories for manufacturing the products of the company relating to the drugs.
- 44 To carry on the business of manufacturing, acquiring, selling, distributing or otherwise dealings in plastics, plasticides, P.V.C. resins, articles treated by resin or resin solutions, cellulose and celluloid substances, synthetic products and substances and their products and compounds of any description and kind.
- 45 To carry on the business of dying, bleaching mercerising, calendaring, printing, combing, preparing, spinning, weaving manufacturing, selling, buying and otherwise dealing in yarn linen, cloth and other goods and fabrics made from raw cotton, flax, hemp, jute, wool and other materials.
- 46 To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal; in all factories, works, plants, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or required by any customers or persons having dealing with the company or commonly dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and by-products and incidental to or obtained in any of the business carried on by the Company.
- 47 To carry on the business of manufacture, sell, use, distribution marketing of laboratory and electronic instruments and machinery of all kinds.



## AND IT IS HEREBY DECLARED THAT:

- (i) The objects incidental or ancillary to the attainment of the main objects of the Company as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the Company herein mentioned:
- (ii) The Word "Company" (save when used with reference to this Company) in this Memorandum shall be deemed to include any partnership or other body or association of persons whether incorporated or not and wherever dominated and,
- (iii) The objects set forth in each of the several clauses of paragraph III hereof shall extend to any part of the world.
- (iv) The Liability of the Members is limited.
- iv) The Authorised Share Capital of the Company is Rs. 5,00,00,000.00 (Rupees Five Crores only) divided into 50,00,000 (Fifty lacs) Equity shares of Rs. 10/- (Rupees ten only) each.

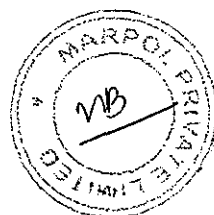
Any shares of the original or increased capital may from time to time be issued with such terms, conditions, restrictions and guarantees or any rights of preference whether in respect of dividend or of repayment of capital or both or any other special privilege or advantage over my shares previously issued or then about to be issued or with deferred or qualified, rights and compared With any shares previously issued or subject to any provisions or conditions and without any right of voting and generally on such terms as the Company may from time to time determine, subject to provisions of the Companies Act, 1956.



We, the several persons, whose names and addresses are subscribed are desirous of being formed into Company in pursuance of this Articles of association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names

Name, address, description and occupation of each subscriber	Number of shares taken by each subscriber	Signature of subscriber	Name, address, description and occupation of witness
1. Shri Atmaram Xembu Poi Palondicar Son of Xembu Poi Palondicar H. No. 262, Dando, Margao-Goa. Advocate	10 Equity Shares		MR. GANESH M. DAIVAJNA Son of Mukundshet Daivajana, Chartered Accountant Sukdow Building, Post Box No. 49, Margao-Goa
2. Shri Ramchandra Atmaram Pai Panadikar Son of Atmaram Poi Palondicar H. No. 262, Dando, Margao-Goa. Businessman	10 Equity Shares		
3. Shri Shanu Atmaram Pai Panadikar Son of Atmaram Poi Palondicar H. No. 262, Dando, Margao-Goa. Businessman	10 Equity Shares		
Total	30 Equity Shares		

Dated this      day of April      1983



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**THE COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**

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ARTICLE OF ASSOCIATION  
OF  
**MARPOL PRIVATE LIMITED**

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1. The regulations contained in Table "A" in the first schedule of the Companies Act, 1956 shall apply to this Company to the extent to which they are modified, varied, amended or altered by these Articles.

**INTERPRETATION**

2. In the interpretation of these articles, unless repugnant to the subject or context.

"The Company" or "This Company" means MARPOL PRIVATE LIMITED.

"The Act" means the Companies Act, 1956, and includes any statutory modifications or re-enactments thereof for the time being in force.

"Auditors" means and includes those persons appointed as such for the time being by the Company.

"Board" means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at the Board, or the Directors of the Company collectively or acting by circular under the Articles.

"Capital" means the share capital for the time being raised or authorised to be raised for the purpose of the Company.

"Directors" means the Directors for the time being of the Company or as the case may be, the Directors assembled at the Board or acting by circular under the Articles.

"Dividend" includes Bonus Shares.

"Member" means a duly registered holder from time to time of a share in the Company and includes the subscribers to the Memorandum of Association of the Company.

"General Meeting" means a meeting of the members.

"Annual General Meeting" means a meeting of the members held in accordance with the provisions of Section 166 of the Act.

"Extraordinary General Meeting" means an Extraordinary General Meeting of members duly called and constituted or any adjourned holding thereof.

"Month" means a calendar month.



"Office" means the registered Office for the time being of the Company.

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"Paid Up Capital" include Capital credited as paid up.

Words importing "Persons" include corporations and firms as well as individuals.

"The Register of Members" means the Register of Members to be kept pursuant to the Act.

"The Registrar" means the Registrar of Companies.

"Seal" means the common seal for the time being of the Company.

"Share" means share in the capital of a Company and includes stock except where a distinction between stock and share is expressed or implied.

"Secretary" means individual possessing qualification prescribed by the Act, appointed by the Board to perform any of the duties of secretary.

"Special Resolutions" and "Ordinary Resolution" shall have the meaning respectively as signed thereto by the Act.

"Year" means the Calendar year and "Financial Year" shall have the meaning assigned thereto by Sec. 2(17) of the Act.

Words importing "the masculine" gender also include the feminine gender.

Words importing "the singular number" include where the context admits or required the plural number and vice-versa.

"In writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form or partly in one partly in other.

### PRIVATE LIMITED COMPANY

3. The Company is a Private Limited Company, and accordingly:
  - (a) The right transfer shares of the Company is restricted in the manner hereinafter, appearing.
  - (b) The number of members of the Company (exclusive of (i) persons who are in the employment of the Company and (ii) persons who having been formerly in the employment of the Company were members of the Company while in that employment and have continued to be members after the employment ceased), shall be limited to fifty, provided that, for the purpose of this provision, where two or more persons hold one or more shares in the Company jointly, they shall be treated as single member; and
  - (c) No invitation shall be issued to the public to subscribe for any share in or debentures of the Company.





- (c) Prohibits any invitation to or acceptance of deposit from persons other than its members, directors and their relatives.

#### CAPITAL, AND INCREASE, REDUCTION AND ALTERATION OF CAPITAL

4. The Authorised Share Capital of the Company is Rs. 5,00,00,000.00 (Rupees Five Crores Only) divided into 50,00,000 (Fifty lacs) Equity shares of Rs. 10 (Rupees ten only) each.
5. The Company in General Meeting, by ordinary resolution, from time to time increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective, amounts as the resolution shall prescribe. The new shares shall be issued upon such terms, conditions, restrictions and guarantees and with such rights and privileges, annexed thereto as the resolution shall prescribe and in particular such shares may be issued with a preferential or qualified right to dividend, and in distribution of assets of the Company and with the right of voting at General Meeting of the Company.
6. Except so far as otherwise provided by the condition of issue or by these articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
7. (a) The Company may from time to time, by special resolution reduce its capital in any manner for the time being authorised by law and in particular (without prejudice to the generality of the power) capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.  
  
b) The company may purchase its own shares or other specified securities out of
  1. its free reserves
  2. the securities premium account
  3. the proceeds of any shares or other specified securities
 subject to the provisions of section 77A, 77AA and 77B of the Act.
8. The Company in General Meeting may from time to time sub-divide or consolidate its shares or any of them and the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others. Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken up or agreed to be taken up by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
9. Whenever the capital by reason of the issue of preference shares or otherwise, is divided into different classes of shares all or any of the rights and privileges attached to each class may be modified, commuted, affected, abrogated or dealt with by agreement between the Company and person purporting to contact on behalf of that class, provided that such agreement is ratified in writing by holders of at least three fourths in nominal value of the issued shares of that class, or is confirmed by a special resolution passed at a separate meeting of the holders of shares of that class and all the provisions hereinafter contained as to (General Meeting shall mutandis apply to every such meeting. The Articles is not to derogate from any power the Company would have if this Article was omitted.



## SHARES AND CERTIFICATES

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10. Where the Board decides to increase the subscribed capital of the Company by the issue of further shares whether out of unissued share capital or out of increased share capital, then subject to any direction to the contrary which may be given by the Company in General Meeting, and subject only to these directions, such further shares shall be offered to the person who, at the date of the offer, are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at the date, and such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in a notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declined to accept the shares offered, the Board may dispose them of in such manner as they think most beneficial to the Company.
11. Subject to the provisions of Act and these Articles, the Board may allot any shares in the capital of the Company as payment of any property sold or transferred or for services rendered to the Company in the conduct of its business and any shares which may be so issued be deemed to be fully paid up shares.
12. Subject to the provisions of these Articles and of the Act, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons in such proportions on such terms, conditions, guarantees and restrictions and such times as the Directors think fit and with full power to give any persons the option to call for or be allotted shares of any class of the Company either at par or at a premium or at a discount and such option being exercisable for such time and for such consideration as the Directors think fit.
13. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 10 and 11, the Company in General Meeting may determine that any shares, whether forming part of the original or not allot to such persons whether members or not in such proportion and on such terms and conditions and either (subject to compliance with the provisions of the Act) at a premium or at par or at a discount or at such consideration as may be directed by such General Meeting, or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.
14. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of share within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purpose of these Articles, be a member. The Board may allot and issue the shares of any type to the minors subject to such terms and conditions as, the Board may think fit.
15. The money (if any) which the Board shall on the allotment of any shares being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the insertion of the name of the allottees in the Register of Members as the holder of such shares, becomes a debt due to, and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.



16. Every member or his heirs, executors or administrators, shall pay to the company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amount, at such time or times, and in such manner, as the Board shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.
17. If by conditions of allotment of any shares the whole or part of the amount of issue price thereof shall be payable by instalment, every such, instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the shares or his legal personal representative.
18. The Company may make arrangements as to the issue of shares with a difference, between the holders of such shares in the amount of calls to be paid and the time of payment of such calls.
19. If any share stands in the name of two or more persons, the person first named in the Register of Members shall as regards receipt of dividends or bonus or service of notices and all or, any other matter connected with the Company, except voting of meeting and the transfer of shares, be, deemed the sole holder thereof, but the joint holders of share shall be severally as well as jointly liable, for the payment of all instalments and calls due in respect of such shares and for all incidents thereof according to the Company's regulations.
20. Subject to the provisions of Sections 153 B and 187 C of the Companies Act, 1956 the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share or (except only as is by these, Articles otherwise expressly provided) any right in respect of a share other than absolute right thereto in accordance with these Articles in the person from time to time registered as the holder thereof, but the Board shall have liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.
21. The certificate of title to the shares shall be issued under the seal of the Company and the Company shall comply with the requirements of Companies (Issue of Share Certificate) Rules 1960.
22. Every member or allottee of shares shall be entitled without payment to receive one certificate for all the shares registered in his, name and if the Directors' so approve upon paying such fees, if any, the Directors may from time to time determine to several certificates each for one and denote the number of shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve.
23. The Certificates of shares registered in the names of two or more persons shall unless otherwise directed by them be delivered to the person first named on the Register of Members.
24. The company may pay a reasonable and lawful sum as brokerage.
25. The Company shall keep a book to be called the Register of Transfer and therein shall fairly and distinctly enter particulars of every transfer or transmission of each share.
26. Except as hereinafter provided no shares in the Company shall be transferred unless and until the rights of pre-emption hereinafter conferred shall have been exhausted.



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27. Every member or other person referred to in the Transmission articles who intends to transfer shares (hereinafter called "the vendor") shall give notice in writing to the Board of his intention, that notice shall constitute the Board his agent for the sale of said shares in one or more lots at the discretion of the Board to Members of the Company at a price to be agreed upon by the vendors and the Board or in default of such agreement at a price which the Auditor of the Company, for the time being shall certify by writing under his hand to be in his opinion the fair selling value thereof as between a willing vendor and a willing purchaser.
28. Upon the price being fixed as aforesaid the Board shall forthwith give notice to all the Members of the Company of the number and price of the shares to be sold and invite each of them to state in writing with twenty-one days from the date of the said notice whether he is willing to procure any and if so what maximum number of the said shares.
29. At the expiration of the said twenty-one days, the Board shall allocate the said shares to or amongst the Member or Members who shall have expressed his or their willingness to purchase as aforesaid provided that no Member shall be obliged to take more than the said maximum number of shares so notified by him as aforesaid. If Members express willingness to purchase more shares than there are available for sale then the Directors may, in such manner as they think fit, decide to which Member or Members the shares are to be sold and the decision of the Directors shall be final. Upon such allocation being made the vendor shall be bound on payment of the said price to transfer the shares to the purchaser or purchasers and if he makes default in so doing, the Board may receive and give a good discharge for the purchase money on behalf of the vendor and enter the name of the purchaser in the Register of Members as holders by the transfer of the said shares purchased by him.
30. In the event of the whole of the said shares not being sold under Article 29, the Board at any time within three calendar months after the expiration of the said twenty-one days, transfer shares not so sold to any person approved by the Board.
31. Articles 26, 27, 28 and 29 hereof shall not apply to transfer to person who is already a Member of the Company, nor to transfer merely for the purpose of effecting the appointment of new trustees, nor to a transfer by executors or administrators to a legatee under the will of the heirs or legal representatives of a deceased Member nor to transfer to the husband, wife, brother, child, grandchild or next of kin of a Member, nor to a transfer by a trustee to a beneficiary nor to a transfer by a shareholder which is a body corporate to its holding, subsidiary or associate body corporate or a Company under the same management provided that it is proved to the satisfaction of the Board that the transfer bonafide falls within one of these exceptions.
32. The instrument of transfer of any share shall be in writing in the form prescribed by the Companies Act, 1956, shall be duly stamped and delivered to the Company within the prescribed period.
33. Every such instrument of transfer shall be executed both by the transferee and transferor and attested. The transferor shall be deemed to remain the holder of such shares until the name of the transferee shall have been entered in the Register of Members in place of transferors in respect thereof.



34. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situated to close the transfer books, the Register of members or Register of Debenture-holders at such time or times for such period or periods not exceeding thirty days at a time and not exceeding in the aggregate forty-five days each year as it may deem expedient.
35. Where in the case of partly paid shares, an application for registration is made by the transferor the Company shall give notice of the application to the transferee in accordance with the provisions of the Act.
36. Subject to the provisions of the Act the Board may, on behalf of the Company and at its own absolute and uncontrolled direction and without assigning any reason, decline to register or acknowledge any transfer of shares whether fully paid or not (notwithstanding that the proposed transferee be already a member) but in such case it shall, within two months from the date on which the instrument of transfer lodged with the Company, send to the transferee notice of refusal to register the transfer and return the documents as lodged as aforesaid to the transferor.
37. In case of the death of any or more of the persons named in the Register of Members as the joint holder of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any person.
38. The executors or administrators or holders of a succession certificate or the legal representatives of a deceased Member (not being one or two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognise such executors or administrators or legal representative unless they shall have first obtained probate or letter of Administration or Succession Certificates, as the case may be from a duly Constituted Court in the Union of India provided that in any case the Board may dispense with production of probate or Letter of Administration or Succession Certificate upon such terms as to indemnity or otherwise, as the Board in its absolute discretion may think necessary and register the name of any person who claims to be absolutely entitled to the share standing in the name of a deceased Member, as a Member.
39. Subject to the Provisions of Articles 37 and 38 any person becoming entitled to share in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or the marriage of any Member, or the marriage of any female Member, or by any lawful means other than by transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, either be registered himself as the holder of the shares of Board registered as such holder provided never the less that if such person shall elect to have his nominee registered as holder he shall submit an instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of the shares. This Article is referred to in these Articles as "The Transmission Article".



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40. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by the Certificate of the shares to be transferred and such evidence as the Board may require to prove the title of the transferor; his right to transfer the share and generally under the subject to such condition and regulations as the Board, shall from time to time prescribe and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
  41. All the limitations, restrictions and conditions in these Articles relating to the right to transfer and the registration of transfer of shares (including the provisions of Articles 25 to 43 shall be applicable in case of transfer of shares on a Member's death, lunacy, bankruptcy, insolvency, liquidation, marriage or the happening of a like event resulting in transmissions of shares as if such an event had not occurred and the instrument of transfer; signed by the Member himself.
  42. Prior to the registration of a transfer, the Certificate or Certificates of the share or shares to be transferred must be delivered to the Company together with (same provided in Section 108 of the Act) a properly stamped and executed instrument of transfer. The Board may waive the production of any Certificate of shares upon evidence satisfactory to it of its loss or destruction.
  43. The Company may charge a fee not exceeding Rs. 2/- (two) on the registration of a transfer or of any probate, letter of Administration, Certificate of death or marriage, power of Attorney, or other instrument affecting the title to any share. The Board may waive such fees at its own discretion.
  44. The company shall incur no liability or responsibility whatsoever in consequence of its registering or effect to a transfer of shares made or purporting to be made by apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of person having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard to attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company, but the Company, shall nevertheless be at liberty to regard and attend to any such notices and give effect thereto if the Board shall so think fit.
  - 44A (a) Notwithstanding any provision to the contrary contained in these Articles, in the event a Shareholder (the "Seller Shareholder") proposes to sell all or any of the Shares (the "Sale Shares") held by it in the Company, it shall, prior to entering into any binding arrangement/agreement/contract with the proposed third party purchaser (the "Third Party Purchaser"), provide a written notice (the "Sale Notice") thereof to the other Shareholders (the "Tag Along Shareholders"). The Sale Notice shall state, inter alia, the number of Sale Shares proposed to be sold, the name, address and other details of the Third Party Purchaser, the price consideration and other terms and conditions pertaining to the proposed sale.
  - (b) Upon receipt of the Sale Notice, the Tag Along Shareholders may, by notice in writing to the Seller Shareholder (the "Tag Along Notice"), require the Seller Shareholder to ensure that the Third Party Purchaser, shall also purchase all or any of the shares of the Tag Along Shareholders as specified in the Tag Along Notice (the "Tag Along Shares") at the same price and on the same terms on which such Third Party Purchaser is purchasing the Sale Shares.



- (c) The Seller Shareholder shall, upon receipt of a Tag Along Notice, require the proposed Third Party Purchaser to also purchase all, but not less than all, of the Tag Along Shares at the same price and upon the same terms and conditions as are applicable in respect of Sale Shares offered to be purchased by such Third Party Purchaser.
- (d) In the event that the proposed Third Party Purchaser is unwilling or unable to purchase all of Sale Shares and the Tag Along Shares, then unless the Tag Along Shareholder withdraws the Tag Along Notice (and expresses unwillingness to sell the Tag Along Shares), the Sale Shares and Tag Along Shares shall be proportionately (pro rate in proportion to the Shareholding Percentages) allocated towards the shares which the Third Party Purchaser wishes to purchase.
- (e) Notwithstanding anything to the contrary in these Articles, the Seller Shareholder shall not be entitled to sell or transfer any of its Shares to the proposed Third Party Purchaser, unless the proposed Third Party Purchaser, purchases any pays, at the same point of time, for all of the Tag Along Shares along with all or part of the Sale Shares. The Tag Along Shareholder may withdraw the Tag Along Notice and revoke its offer to sell the Tag Along Shares to the Third Party Purchaser at any time before the completion of sale and transfer of the Tag Along Shares.
- 44B (a) Notwithstanding any provision to the contrary in these Articles, in the event a third party makes an offer to purchase the Company's shares, the shareholders holding not less than 67% of the Company's shares ("Majority Shareholder") shall have a right to call upon the other shareholders ("Minority Shareholders") to sell all their shares and/or other securities of the Company to such third party ("Drag Along Rights"), by a written notice (the "Drag Along Notice"). The majority shareholder shall obtain a written offer from the third party purchaser detailing therein the terms upon which the third party purchaser is willing to purchase all the shares of the Company and furnish the same to the minority shareholders along with the Drag Along Notice. The third party offer shall contain the following terms:
- i. Clearly state the identity of the Drag Along Purchaser;
  - ii. Clearly state price per Share offered ("Offer Price").
  - iii. Clearly state the other material terms and conditions of the Offer.
- (b) The minority shareholders shall also be bound, in such event, to sell along with the Majority Shareholder such number of their shares and/or other securities of the Company as may be required by the third party purchaser to complete the sale to the third party purchaser.
45. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in the Section 37 of the Act, shall be sent by the Company to every member at his request within 7 days of the request on payment of the sum of Re. 1/- for each copy.



## BORROWING POWERS

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46. Subject to the provisions of the Act the board may from time to time, at its discretion, by a resolution passed at the meeting of the Board accept deposit or borrow or secure the payment of any sum or sums of Money for the purpose of the Company either from members or from any other source and may lend themselves any money if it is not required for the purpose of the Company.
47. The Directors may raise or secure the payment of such or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds perpetual or redeemable or debenture-stock or any other mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.
48. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular, by a resolution passed at a meeting of the Board (and not by resolution by circulation) by the issue of debentures, or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being, and the debentures and debentures stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
49. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or effecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

## GENERAL MEETINGS

50. All General Meetings other than Annual General Meeting, shall be called Extraordinary General Meetings, Sections 171 to 186 (both inclusive) of the Act shall not apply to General Meetings of the Company.
51. The company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the next Annual General Meeting shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon Registrar under the provisions of Section 166(1) of the Act to extend the time within which the Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours on a day that is not a public holiday, and shall be held at the Registered Office of the Company or at some other place within the city in which the registered Office of the Company is situated as the Board may determine and the notice calling the meeting shall specify it as the Annual General Meeting.





52. The Directors may call an Extraordinary General Meeting whenever they think fit. 5/

53. The Directors of the Company shall, on requisition of such number of Members of the Company as is specified in Sub-Section (4) of Section 169 of the Act, forthwith proceed duly to call an Extraordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called/pursuant thereto the provisions of Section 169 of the Act shall apply. If at any time there are not within India Directors capable of acting who are in sufficient number, to form a quorum, any Directors or and two members of the Company may call an Extraordinary General Meeting in the same manner as nearly as possible as that in which such meeting may be called by the Board. If the Board do not proceed within 21 days from the date of requisition being deposited at the office, to cause a meeting to be called on a day not later than 45 days from the date of deposit of the requisition, the requisitionists or such of their number as represented either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in section 169(4) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held, within three months from the date of the delivery of the requisition as aforesaid.

54. Any valid requisition so made by members must state the object or objects of the Meeting proposed to be called and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.

55. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly, as possible as that in which meetings are to be called by the Board.

56. In the case of Extraordinary General Meeting called in pursuance of requisition, unless such meeting has been called by the Directors, no business other than that stated in the requisition as the object of the Meeting shall be transacted.

57. (a) A General Meeting of the Company may be called by giving not less than seven days notice in writing.

(b) A General Meeting may be called after giving shorter notice than that specified in sub-clause or without giving any notice if consent is accordance thereto:

(i) In the case of Annual General Meeting by all the members entitled to vote there at and,

(ii) In case of any other meeting by members of the Company holding not less than 75 percent, or such part of the paid up capital of the Company as give a right to vote at the meeting provided that there any members of the Company are entitled to vote only on some resolution to be moved at a meeting and not on the others those members shall be taken into account for the purpose of this sub-clause in respect of the former resolution or resolutions and not in respect of later.



58. 1. Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted there at and in case it is proposed to pass as special resolution the intention to propose such resolution should be specified in the notice.
2. Notice of every meeting of the Company shall be given:
- (i) To every member of the Company in a manner authorised by sub section (1) to (4) of Section 53 of the Act;
  - (ii) To the person entitled to a share in consequence of death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title or representative of the deceased or assigns of any insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred, and
  - (iii) To the Auditors, for the time being of the Company.

### PROCEEDINGS AT GENERAL MEETINGS

59. No General Meeting, Annual or Extraordinary, shall be competent to discuss or transact any business which has not been specifically mentioned in the notice or notices for the said Meetings.
60. Two members entitled to vote and present in person at the commencement of a General Meeting shall be quorum for General Meeting.
61. If within thirty minutes from the time appointed for the General Meeting a quorum is not present, the meeting if convened by requisition of members shall be dissolved, in any other case it shall be adjourned to same day in the next week at the same time and place. If at further adjourned meeting, a quorum be not present, those Members present shall be deemed to be the quorum and may transact all business as a quorum could have done.
62. The accidental omission to give any such notice as aforesaid to or the non-receipt of such notice by any member or other person to whom it should be given shall not invalidate any proceedings at any such meeting.
63. The Chairman of the Board shall be entitled to take the Chair at every General Meeting of the Company. If there be no such Chairman or if he be not present within thirty minutes after the time appointed for holding the meeting, the Directors present shall elect one of their members to be the Chairman.



64. The Chairman with the consent of the Meeting may and shall if so directed by the Meeting adjourn the meeting from time to time and from place to place in the city or town in which the Registered Office of the Company is situated but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which adjourned meeting took place.
65. At any General Meeting every resolution put to vote shall be decided in the first instance by a show of hands and unless a poll be directed by the Chairman or demanded as directed in Section 179 of the Act a declaration by the Chairman that a resolution has been carried unanimously or not carried by a particular majority and entry to that effect in the minute book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution provided however that no poll shall be demanded on the election of Chairman or on question of adjournment.
66. If a poll be directed or demanded in the manner above mentioned it shall be taken at such time and in such manner as the Chairman may appoint and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was directed. The demand for poll may be withdrawn at any time by the person or persons who made the demand.
67. Where a poll is to be taken the Chairman of the meeting shall appoint two scrutineers to scrutinize the votes given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a Member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove scrutineer from the office and fill vacancies in the office of scrutineers arising from the removal, or from any other cause.
68. In case of any equality of votes at any General Meeting whether upon a show of hands or on a poll, the Chairman shall be entitled to a second or casting vote. In case of any dispute as to the admission or rejection of any vote the Chairman's decision shall be final and conclusive.
69. Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

### DIRECTORS

70. (a) Subject to the provisions of Section 252 of Companies Act, 1956, and until otherwise decided by General Meeting the number of Directors shall not be less than two or more than ten excluding Debenture Directors, Alternate Directors and the Directors appointed under the Article 71.
- (b) The first Directors of the Company shall be:-
1. Shri Atmaram Xembu Poi Palondicar
  2. Shri Ramchandra Atmaram Pai Panandikar
  3. Shri Vishvanath Atmaram Pai Panandikar
  4. Shri Shanu Atmaram Pai Panandikar.



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71. If at any time the Company obtains any loans from the Industrial Finance Corporation of India or the Industrial Credit Investment Corporation of India or Industrial Development Bank of India or any other like financial institutions (referred to in this Article as "the Corporation"), or from any other person or a body corporate and it is a term of such loan that the Corporation or such persons shall have the right to appoint one or more Directors to the Board of the Company then so long as any moneys shall remain due to the Corporation or such person, it shall be entitled to appoint one or more Directors, as the case may be, to remove any Director so appointed and to appoint any other in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be signed by the corporation or such person or by any person duly authorised by it and shall be served at the office of the Company. The Director or Directors so appointed shall not be required to hold any shares in the Capital of the Company as his or their qualification and shall not be liable to retire by rotation in accordance with the provisions of these Articles.
72. The Board may appoint an Alternate Director to act for a Director (Hereinafter called the 'original Director') during his absence for a period of not less than three months from, the state in which the meetings of Directors are ordinarily held. An alternate Director appointed under this Article shall not hold office for a longer period than that permissible to the Original Director in whose place he has appointed and shall vacate office if and when the Original Director returns to that state. If the term of the office of the Original Director is determined before he so returns to that state any provision in the Act or in these Articles for the automatic re-appointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.
73. (a) Subject to the provisions of Section 260 and such other applicable provisions, if any of the Act the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director but so that the total number of Directors shall not any time exceed the maximum fixed under Article 70 and such additional Director shall hold office up to the date of the next Annual General Meeting.
- (b) Subject to the provisions of Section 262, 264 and 284(6), and such other applicable provisions if any, of the Act the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill up a casual vacancy. Any person so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated by him.
74. A Director shall not be required to hold any qualification Shares.
75. The remuneration to each Director for his services shall be a sum not exceeding Rs. 250/- for each meeting of the Board or Committee of the Board, as may be determined by the Board. Such reasonable additional remuneration as may be fixed by the Board, may be paid to any one or more of its members for services rendered by him or them in signing the share certificate in respect of the Company's Capital or any debentures issued by the Company. The Directors shall be paid. Such further remuneration (if any), as the Company in General Meeting shall from time to time determine and such additional remuneration and further remuneration shall be divided among the directors in such proportion and manner as the Board may from time to time determine and in default of such determination it shall be divided among the Directors equally.



76. If any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by Director as a Member of the Committee formed by Directors) the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided.
77. The Board may allow and pay to any Director, who is not a bonafide resident of the place where meeting of the Board is held and who shall come to such place for the purpose of attending a meeting such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses; in addition to his fee for attending such meeting as above specified and if any Director be called upon to do so, be paid or reimbursed any traveling and other expenses incurred in connection with the business of the Company.
78. The Continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the number fixed by these Articles, as the necessary quorum of directors the continuing Directors may act for the purpose of increasing the number of Directors to that number or for summoning a General Meeting, but for no other purpose.
79. The Directors shall not be liable to retire by rotation at any Annual General Meeting of the Company.

### MANAGING DIRECTOR

80. Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more of the members as Managing Director or Managing Directors which expression shall include a Joint Managing Director or a Deputy Managing Director, whole time Director or Directors of the Company, upon such terms and conditions as the Board thinks fit and the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit and upon such conditions and subject to such restrictions as it may determine. The remuneration of the Managing Directors may be by way of monthly payment, fees for each meeting and or participation in profits, or by any or all of these modes or any other mode not expressly prohibited by the Act.
81. If any Managing Director ceases to hold the office of Director he shall ipso facto and immediately cease to be the Managing Director.



# PROCEEDINGS OF THE BOARD OF DIRECTORS

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82. The Directors may meet together as a Board for the despatch of business from time to time, and shall so meet at least once in every three calendar months. At least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.
83. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India and at his usual address in India, to every other Director, including every person deemed to be a Director by virtue of explanation to Sub-section (1) of the Section 303 of the Act.
84. Director of the Company shall as a Director take part in any discussion of, or vote, on any contract or arrangement entered into, or to be entered into by or on behalf of the Company, even if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement and his presence shall be counted for the purpose of forming a quorum at the time of any such discussion and to vote.
85. The quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at that time and any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher, for the purpose of quorum the interested Directors shall also be included.
86. If a meeting of the Board could not be held for want of quorum then the meeting shall automatically stand adjourned till the same day in the next week at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place.
87. A Director may at any time and the Secretary, upon the request of a Director shall convene a meeting of the Board by giving seven days notice in writing to every Director for the time being in India and at his usual address in India. Notice may be given by cable or telegram to any Director who is not in the State where meeting of the Board are ordinarily held.
88. The Directors may from time to time elect from among their members a Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their members to be Chairman of the meeting.
89. Questions arising at any meeting of the Board shall be decided by Majority, and in case of an equality of votes, the Chairman shall have a second or casting vote.
90. A Meeting of the Board for the time being at which quorum is present shall be competent to exercise all or any of the authorities, powers and proper discretions which by or under the Act or the Article of the Company are for time being vested in or exercisable by the Board generally.



91. Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of its power to committee of the Board consisting of such member or members of its body as it think fit and it may from time to time revoke and discharge any such committee of the Board either wholly or in part or either as to persons or purposes but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise shall have the like force and effects as if done by the Board.
92. The Meeting and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the preceding Articles.
93. All acts done by any meeting of the Board or a committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid or that they or any of them had been terminated by virtue of any provisions contained in the Act or these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director and had not vacated office or his appointment had not been terminated. Provided that nothing in these Articles shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.
- (i) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept within 30 (thirty) days of the conclusion of every such meetings, by making entries thereof in the books kept for that purpose with their pages consecutively numbered.
  - (ii) Each page of every such book shall be initialed or signed and the last page of the record or proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting in the next succeeding meeting.
  - (iii) In no case the minutes of the proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
  - (iv) Minutes of each meeting shall contain fair and correct summary of the proceedings there at.
  - (v) All the appointment of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
  - (vi) The minutes shall contain:
    - (a) names of the Directors present at the meeting.



- (b) In case of each resolution passed at the meeting the names of the Directors if any dissenting from, or not concurring in the resolution.

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(vii) Nothing contained in Sub-clause (i) to (vi) shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (a) is or could reasonably be regarded as defamatory of any person (b) is irrelevant or immaterial to the proceedings or (c) is detrimental to the interest of the Company, the Chairman shall exercise an-absolute discretion in regard to inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

(viii) The minutes of the meetings kept in accordance with the aforesaid provision shall be evidence of the proceedings recorded therein.

### POWERS OF DIRECTORS

94. The Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as are not by the Act or any other Act or by the Memorandum or by these Articles, required to be exercised by the Company in the General Meeting, subject nevertheless to the provisions of these Articles, to the provisions of the Act or any other regulations or provisions as may be prescribed by the Company in General Meeting but no regulation made by the company in General Meeting, provided that the powers specified in Section 292 of the Act shall be exercised only at meetings of the Board unless the same be delegated to the extent therein stated.
95. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Directors shall have the following powers, that is to say, powers:
- (i) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
  - (ii) To pay and charge to the capital account of the Company any commission or interest lawfully payable there on.
  - (iii) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is, authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit, and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
  - (iv) At their discretion and subject to the provisions of the Act to pay for any property, right, or privileges acquired by or services rendered to the Company, either wholly or partly in cash or in shares, bonds, debentures, debentures-stock, Mortgage or other securities of the company, and any such bonds, debentures, debentures-stock, mortgages, other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.





- (v) To secure the fulfilment of any contract or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (vi) To accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed upon.
- (vii) To appoint any person or persons to accept and hold in Trust for the Company, any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such Trustee or Trustees.
- (viii) To institute, conduct defend, compound or abandon any legal proceedings, by or against the Company or its officers or otherwise concerning the affairs of the Company and also for payment or satisfaction of any debts due and of claims or demands by or against the Company and to refer any difference or arbitration and observe any awards made thereon.
- (ix) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (x) To make and give receipts, release, and other discharges for moneys payable to the Company and for the claim and demands of the Company.
- (xi) To invest and deal with moneys of the company not immediately required for the purpose thereof, upon such security (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments.
- (xii) To execute in the name and on behalf of the Company in favour of any Director or other persons who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of Company, such mortgage of the Company property (present and future) as they think fit, and any such mortgages may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (xiii) To determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, divided warrants, releases, contracts and documents and to give the necessary authority for such purpose.
- (xiv) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.



- (xv) To alienate, transfer, gift, sell, donate, settle or dispose of any property of the Company with or without consideration, to any person including any trust whether public or private, discretionary or specific, either by revocable or irrevocable or settlement and upon such terms and conditions as the Board of Director may deem fit.
- (xvi) To provide for the welfare of employees or ex-employees, shareholders, or past shareholders and directors or ex-directors of the Company and the wives, widows and families or dependants or connections of such persons, by grants of money, pensions, gratuities, allowances, bonus or other payments or by creating and from time to time subscribing, contributing to provident fund and other associations, institutions, fund or trust whether private or public, vested, discretionary, or any other kind, and providing or subscribing or contributing, towards places of institutions and recreations, hospitals and dispensaries, medical and other attendance, and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent religious, scientific, national or other institutions or subject which shall have any moral or other claim to support or aid by the Company either by reason of locality of operation, or of public, and general utility or otherwise.
- (xvii) Before recommending any dividend to set aside, out of the profits of the Company, such amount as they may think proper for Depreciation Fund, or to any Insurance Fund, or as a Reserve Fund, or Sinking Fund, Plant Rehabilitation Fund, or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends, or for equalising dividends or for maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Directors may, in their absolute discretion think conducive to the interest of the Company and subject to the provisions of the Act to invest the several sums so set aside or so much thereof as required to be invested, upon such investment (not being the shares of the Company) as may think fit, and from time to time to deal with and vary such investments and dispose of and apply and spend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the directions in their absolute discretion think conducive to the interest of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds as the Directors may think fit, with full power to transfer the whole or any portion of the reserve fund or division of reserve fund to another reserve fund or division of reserve fund and with full power or to employ the assets constituting Fund in the business of the Company or for the purpose of repayment of debentures of debentures-stock and that without being bound to keep the same separate from other assets and without being bound to pay the interest on, the same with power, however, the Directors at their discretion to pay or allow to the credit of such funds, the interest at such rate as the Directors may think proper. The Directors may also without, placing the same to reserve carry over any profits which they may think not prudent to divide.



- (xviii) To support and at their discretion remove or suspend such managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties and fix their salaries, emoluments or remuneration and to require security in such instances and to such amounts as they may think fit, and also from time to time provide for the management and transactions of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit, and the provisions contained in the three next following sub-clauses shall be without prejudice to the general powers conferred by this Sub-Clause.
- (xix) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be member of such Local Board, and to fix their remuneration.
- (xx) Subject to the provisions of Section 292 of the Act from time to time or at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board other than their power to make calls or to make loans or to borrow moneys, and to authorise the members or the member for the time being or any such Local Board may at any time remove any person so appointed and may annual or vary any such delegations.
- (xxi) At any time and from time to time by powers of Attorney under the seal of the Company, to appoint any person or persons to be attorney or attorneys of the Company for such purposes and with powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these Articles and excluding the powers to make calls and issue debentures and excluding also, except, subject to Section 292 of the Act, within the limits authorised by the Board, the power to borrow, invest or make loans) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board think fit) be made in favour of the members of any of the members of any Local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or managers of the Company, or the firm or otherwise in favour of any fluctuating body or persons whether nominated directly or indirectly by the Board and any such power of Attorney may contain such power for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of powers, authorities and discretions for the time being vested in them.



- (xxii) Subject to such terms, conditions, restrictions and guarantees as the Board of Directors for the time being of the Company may think fit to give loan to any person including the Directors of the Company.
- (xxiii) Subject to such terms, conditions, restrictions and guarantees as the Board of Directors for the time being of the Company may think fit to give any financial assistance for or in connection with the purchase of subscription of any share in the Company.
- (xxiv) Subject to the provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts deeds and things in the name and on behalf of the Company as they may consider expedient.
- (xxv) To vest, pass on, delegate, authorise, transfer to any other Company or the Board of Directors of such other Company, the control of composition of the Board of Directors of the Company. And so long as such other Company or its Board of Directors so controls the composition of Board of Directors of this Company under the provisions contained in this clause, all the provisions in respect of the appointment to and election of the Board of Directors of the Company shall be subject to the provisions of this clause. Any Directors appointed under the power delegated under this clause shall not be bound to retire by rotation and shall not be required to hold any qualification shares. These Directors shall hold their office until they vacate the office in accordance with the provisions of the Act or retire or resign or are removed by the Company or its board of Directors who have appointed them. Any vacancy caused by vacating, retirement, resignation or removal shall be filled by the Company or its Board of Directors who have appointed them.
- (xxvi) Notwithstanding any provision to the contrary contained in these Articles, the Board of Directors shall have the powers at its sole discretion, without referring to the Shareholders of the Company, to sell or otherwise dispose of the whole or substantially the whole of the assets of the Company in any manner as it deems fit, including as slump sale on a going-concern basis, in special sale, etc.
- (xxvii) To negotiate with any third parties for acquisition of shares of the Company held by the Shareholders of the Company, provided, however, the actual consummation of such transfer of shares shall be at the discretion of the Shareholder whose shares are sought to be transferred.

All other provisions of these Articles pertaining to and relating to Directors shall so far as it is necessary, be subject to the provisions of the Article and shall not have effect to the extent, these are contrary or derogatory to or in conflict with the provisions of the Act.

### THE SECRETARY

96. The Directors ay from time to time appoint and at their discretion remove any individual possessing qualification prescribed under the Act to perform any functions which by the act are to be performed by the Secretary or any other ministerial or administrative duties which may from time to time be assigned to secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.



## THE SEAL

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97. (a) The Board shall provide a Common Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Board shall provide for the safe custody of the seal for the time being and the Seal shall never be used except by the Authority of the Board or Committee of the Board and in the presence of a Director of the Company or some other persons appointed by the Directors for the purpose.
- (b) The company shall also be at liberty to have an official seal in accordance with section 50 of the Act for use in any territory, district or place outside India.
98. Every deed or other instrument to which the Seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney, signed by one Director or other person appointed by the Directors for that purpose, provided that in respect of share certificate seal shall be affixed in accordance with the provisions of the Act.

## ACCOUNTS

99. The company shall keep at the Office or at such other place in India as the Board thinks fit, proper books in accordance with section 209 of the Act with respect to:
- (a) all sums of the money received and expended by the Company and the matters in respect of which the receipts and expenditures take place;
- (b) all sales and purchases of the goods by the Company;
- (c) the assets and liabilities of the Company;
- (d) all such Costing Accounts as may be prescribed by the Central Government in that behalf, where the Board decide to keep all or any of the books of account at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that place. The Company shall preserve in good order the books of accounts relating to period of not less than eight years preceding the current year, together with vouchers relevant to any entry in such books of account. Where the Company has branch office, whether within or outside India, the Company shall be deemed to have complied with this Article if proper books of accounts relating to the transactions effected at the Branch Office are kept at the branch office and proper summarised returns, made up to date at intervals of not more than three months, are sent by the Branch Office of the Company at its office or other place in India at which the Company's Books of accounts are kept as aforesaid. The Books of Accounts shall give a true and fair view of the State of the Affairs of the Company or Branch Office, as the case may be, and explain its transactions and shall be open to inspection by a Director during business hours.



100. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open for inspection of members not being Directors, and no Member (not being a Director) shall have any right to inspect any account or books or documents of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.
101. The Directors shall from time to time in accordance with Sections 210, 211, 212, 215 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting such Balance Sheet, Profit and Loss Account and Reports referred to in those sections.
102. A copy of every such Profit and Loss Account and Balance Sheet (including the Auditors Report and every other document required by law to be annexed or attached to the Balance Sheet) shall at least seven days before the meeting at which the same are to be laid before the members be sent to the Members of the Company, to the holders of debentures issued by the Company (not being debentures which ex-facie are payable to the bearer thereof) to trustee for the holders of such debentures and to all persons entitled to receive notices of the General Meeting of the Company.
- (a) Subject to the provisions of the Companies Act, 1956. The Company may by special resolution in General Meeting amend, alter, vary, modify or effect changes in the accounts in respect of any earlier year or years, irrespective of the fact that these accounts are already adopted by the Company in any General Meeting and the Company also carry out the amendments in any other documents forming part of the Annual accounts.
- (b) Any such amendments, alterations, variations, modifications or changes made shall be deemed always to have been, received, adopted and approved at the original Annual General Meeting of the Company which had adopted these accounts etc.

### AUDIT

103. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 233 of the Act.
104. Every account of the Company when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within three months next after the approval thereof. Whenever such error is discovered within that period the Account shall forthwith be corrected which henceforth be conclusive.
105. The first Auditor/s of the Company, shall be appointed by the Board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold Office until the conclusion of the first Annual General Meeting provided that the Company may at a General Meeting remove any such Auditor or all of such persons and appoint in his or their place any other person or persons who have been nominated for appointment by any Member of the Company and of whose nomination notice has been given not less than fourteen days before the date of the meeting provided further that if the Board fails to exercise its powers under this Article the Company in General Meeting may appoint the First Auditor or Auditors.



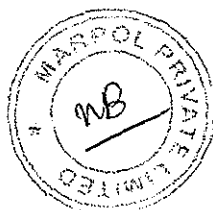
## WINDING UP

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106. The liquidator on any winding up (whether voluntary under supervision or compulsory) may with the sanction of a special resolution but subject to the rights attached to any preference Share Capital divide among the contributors specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trust for the benefits of the contributories as the liquidator with the like sanction shall think fit.

## INDEMNITY AND RESPONSIBILITY

107. Save and except so far as the provisions of this article shall be avoided by Section 201 of the Act of the Board of Directors, Managers, Secretary and other Officer or servant for the time being of the Company and the Trustee (if any) for the time being acting in relation to any of the affairs of the Company and every one of them and every one of their heirs, executors, and administrators shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, cost, charges, losses, damages and expenses which they or any of them, or any of their executors, administrators, shall or may incur or sustain by reason of any act done, concerned in or omitted in or about the execution of their duty or supposed duty in their respective office, or trusts, except (if any) as they shall incur or sustain through or by their own wilful neglect or default respectively, and none of them shall be answerable for the acts, receipts, neglects or defaults, of the other or them joining in any receipt for the sake of conformity of for any bankers or other persons with whom any moneys or effect belonging to the Company shall be lodged or deposited for safe custody or for the insufficiency or deficiency or any security upon which by moneys for the Company shall be invested or in any other loss, misfortune or damage may happen in the execution of their respective offices or trusts or in relation thereto except if the same shall happen by or through their own wilful neglect or default respectively.
108. (1) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Office Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign, a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the Customers and the State of the accounts with the individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- (2) No Member shall be entitled to visit or inspect any works of the Company without the permission of the Directors, or to require discovery of or any information respecting any details of the Company trading, or any matter which is or may be in the nature of a trade secret, process, or any other matter which in the opinion of the Directors it would be inexpedient, in the interest of the Company to disclose.



We, the several persons, whose names and addresses are subscribed are desirous of being formed into Company in pursuance of this Articles of association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names

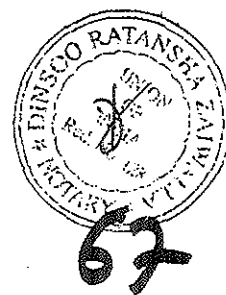
Name, address, description and occupation of each subscriber	Number of shares taken by each subscriber	Signature of subscriber	Name, address, description and occupation of witness
1. Shri Atmaram Xembu Poi Palondicar Son of Xembu Poi Palondicar H. No. 262, Dando, Margao-Goa. Advocate	10 Equity Shares		MR. GANESH M. DAIVAJNA Son of Mukundshet Daivajana, Chartered Accountant Sukdow Building, Post Box No. 49, Margao-Goa
2. Shri Ramchandra Atmaram Pai Panadikar Son of Atmaram Poi Palondicar H. No. 262, Dando, Margao-Goa. Businessman	10 Equity Shares		
3. Shri Shanu Atmaram Pai Panadikar Son of Atmaram Poi Palondicar H. No. 262, Dando, Margao-Goa. Businessman	10 Equity Shares		
Total	30 Equity Shares		

Dated this      day of April      1983





ANNEXURE "B-1"  
MARPOL PRIVATE LIMITED



DIRECTORS' REPORT

To the Members,  
Marpol Private Limited.

Your Directors have pleasure in submitting their 36<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March 2019;

**1. FINANCIAL RESULTS :**

The Company's financial performance for the year under review along with previous year figures is given hereunder:

(In Rs.)

Particulars	For the year ended 31 <sup>st</sup> March, 2019	For the year ended 31 <sup>st</sup> March, 2018
Net Sales /Income from Business Operations(net)	68,90,38,289	59,39,73,909
Other Income	4,63,175	27,03,223
Total Income	68,95,01,463	59,66,77,132
Total Expenditure	66,97,25,000	62,84,40,904
Profit before Exceptional Item and Tax	1,97,76,464	(3,17,63,793)
Exceptional Item		4,33,08,587
Profit after Exceptional Item and Before Tax	1,97,76,464	(7,50,72,379)
Less Total tax expenses	292,4536	(2,43,883)
Net Profit after Tax	1,68,51,928	(7,48,28,476)
Earnings per share Basic & Diluted	5.63	(24.98)

**2. REVIEW OF BUSINESS OPERATIONS :**

Your Directors wish to present the details of Business operations done during the year under review:

The net revenue from operations for the year ended on March 31, 2019 was Rs. 68,95,01,463 as compared to Rs. 59,66,77,132 for the previous year ended on March 31, 2018.

The Profit/ (Loss) before Exceptional Item and tax for the year ended on March 31, 2019 was Rs. 1,97,76,464 as compared to Rs. (3,17,63,772) for the year ended on March 31, 2018. The Profit/ (Loss) after Tax stood at Rs. 1,68,51,928 for the year ended on March 31, 2019 as compared to Rs. (7,48,28,476) for the previous year ended on March 31, 2018.

**3. TRANSFER TO RESERVE:**

No amount was transferred to the reserves during the financial year ended 31st March, 2018.

**4. DIVIDEND :**

No Dividend was declared for the current financial year due to conservation of Profits.

**5. DETAILS OF JOINT VENTURE/ ASSOCIATE OR SUBSIDIARY COMPANIES :**

There are no Joint Venture/ Associate or Subsidiary Companies of the Company as on 31<sup>st</sup> March, 2019.

Certified True Copy  
For MARPOL PRIVATE LIMITED

**Director**



# MARPOL PRIVATE LIMITED

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## 6. DETAILS OF FRAUD REPORT BY AUDITOR:

As per auditors' report, no fraud u/s 143(12) reported by the auditor.

## 7. BOARD'S COMMENT ON THE AUDITORS' REPORT :

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self explanatory and do not call for any further comment.

## 8. MATERIAL CHANGES AND COMMITMENT IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :

There has been no material changes and commitment, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## 9. DIRECTORS AND KEY MANAGERIAL PERSONNEL :

There has been no change in the constitution of the Board during the year under review i.e. the structure of the Board remains the same.

## 10. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:

### (A) Conservation of energy-

- (i) The steps taken or impact on conservation of energy: The utilization of Electricity is continuously monitored and steps are taken to reduce the consumption.
- (ii) The steps taken by the company for utilizing alternate sources of energy: Nil
- (iii) The capital investment on energy conservation equipments: Nil

### (B) Technology absorption-

- (i) the efforts made towards technology absorption:  
As we are aware, Polyester Resin is at the heart of any pure polyester/TGIC and PP/Primid based powder system. Super-durable powder systems are known to have excellent QUV weathering properties and poor mechanical properties. The Automotive industry is slowly moving towards Powder Paints as its final top coat for small Vehicles. Marpol has done extensive research in creating a Super -Durable resin with excellent mechanical and weathering properties. Marpol is the only Company in the world today that has the capability of manufacturing Pure Polyester Super Durable Resin with excellent mechanical properties (passing more than 184 kg/cm ASTM on a white system) and excellent retention of gloss at 20 degrees (more than 80% retention of gloss under stringent QUV B313 exposure of 500 hours). This project was specifically undertaken for Tata Motors Dharwad, India, where we have succeeded in becoming a key vendor for supply of the PP Super-durable powder.
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution:  
The Automotive industry in India is growing at a fast pace. The need for high quality powder systems has significantly increased, as a result, we have focused on creating cost effective high end powders for automotive component manufacturers such as Gabriel India Ltd. (Anand Group), BMW motorrad through TVS Motors etc. In order to achieve cost effective quality powder systems, we have further improved our PP TGIC (93/7) resin to pass the stringent 100 kg/cm ASTM impact in our regular pure polyester powder systems without affecting the cost structure of the resin system. This has helped us provide better quality products to the high end Automotive market at a very competitive price.



# MARPOL PRIVATE LIMITED

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(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : NA

(a) the details of technology imported: No technology is imported however equipments are imported on a regular basis.

(b) the year of import: NA

(c) whether the technology been fully absorbed: NA

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA and

(iv) the expenditure incurred on Research and Development: Nil

## 11. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The total imports during the financial year ended 31st March, 2019 were Rs.12,74,72,756/- compared to Rs.16,87,69,716/- during the last financial year. The total earning in foreign current during the financial year was Rs. 15,95,633/- as compared to Rs. 31318/- during the previous financial year.

## 12. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company does not have any Risk Management Policy as the elements of risks threatening the Company's existence are very minimal. Necessary internal checks and controls are duly installed. The management reviews these checks and controls with reference to their findings and accordingly remedial actions are taken by the Management in the best interests of the Company and its employees and stakeholders. In the opinion of the Board of Directors there are no elements of risk currently which may threaten the existence of the Company.

## 13. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

## 14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :

There are no Loans / Advances , Guarantees or Investments made under section 186 of the Companies Act 2013.

## 15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There were no Related party transactions entered into during the financial year on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. As per Annexure-C in Form AOC-2.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014.

## 16. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors



# MARPOL PRIVATE LIMITED

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qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

## 17. EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure A in Form MGT-9 and is attached to this Report.

## 18. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW :

During the year 2018-19 under review, 6 Board meetings were held on April 7, 2018, April 20, 2018, June 27, 2018, September 27, 2018, December 24, 2018 and January 30, 2019.

## 19. DIRECTORS RESPONSIBILITY STATEMENT :

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for that period;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts on a going concern basis; and

(e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 20. DETAIL OF FRAUD AS PER AUDITORS REPORT :

There is no fraud in the Company during the F.Y. ended 31st March, 2019. This is also being supported by the report of the auditors of the Company as no fraud has been reported in their audit report for the F.Y. ended 31st March, 2019.

## 21. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES :

The Company does not have any Subsidiary, Joint venture or Associate Company.

## 22. DEPOSITS :

The Company has neither accepted nor renewed any deposits during the year under review.

## 23. DECLARATION OF INDEPENDENT DIRECTORS :

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

## 24. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM :

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.



# MARPOL PRIVATE LIMITED

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## 25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the courts/regulators or tribunals impacting the going concern status and company's operations in future.

## 26. SHARES :

### A. Buy back of securities

The Company has not bought back any of its securities during the year under review.

### B. Sweat equity

The Company has not issued any Sweat Equity Shares during the year under review.

### C. Bonus shares

No Bonus Shares were issued during the year under review.

### D. Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

## 27. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS :

There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

## 28. CONSTITUTION OF COMMITTEE – SEXUAL HARASSMENT AT WORKPLACE :

The Company has constituted committee under the sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 and However, company has complied with the provisions of the same.

## 29. COST RECORD :

The provision of Cost audit as per section 148 applicable on the Company and company has maintained proper records and account of the same as required under the act.

## 30. STATUTORY AUDITOR :

M/s. Ganesh Daivajna & Co., Chartered Accountants(Firm Registration No. 103054W), being the statutory auditors of the Company shall be holding office until the conclusion of the sixth Annual General Meeting of the Company ending on March 31, 2024.

## 31. CONSOLIDATED FINANCIAL STATEMENTS :

Company doesn't have any subsidiaries so there is no need to prepare consolidated financial statement for the F. Y. 2018-19.

## 32. PARTICULARS OF EMPLOYEES :

No employee was in receipt of remuneration in excess of the limits prescribed under Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence the prescribed information not required to be given.



# MARPOL PRIVATE LIMITED

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## 33. ACKNOWLEDGEMENTS :

Your Directors place on record their sincere thanks to Bankers, Employees, Business Associates, Auditor, and various Government Authorities for their continued support extended to the Company.

FOR AND ON BEHALF OF THE BOARD

MARPOL PRIVATE LIMITED



P.D Pai  
Chairman  
DIN: 08115481

Date : April 26, 2019  
Place: Margao, Goa



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Annexure-A

Form No. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

i.	CIN:	U24222GA1983PTC000532
ii.	Registration Date	05/04/1983
iii.	Name of the Company	Marpol Private Limited
iv.	Category / Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered office and contact details	1st Floor, Panandiker Chambers, M.L. Furtado Road, Margao, Goa - 403601. Tel +91 8322713056 Fax +91 832 2733124 Email:- <a href="mailto:marpol@marpolind.com">marpol@marpolind.com</a>
vi.	Whether listed company:	NO
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
I	Manufacturers of Powder Coatings	2022	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
I	Kansai Nerolac Paints Ltd. Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013. Contact No: 022-2499-2807	L24202MH1920PLC0008 25	Holding	100	2 (46)

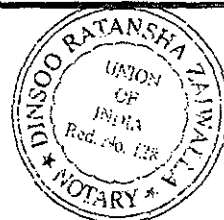


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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
g) Individual/HUF	-	-	-	-	-	1135000	1135000	37.89	-
h) Central Govt	-	-	-	-	-	-	-	-	-
i) State Govt	-	-	-	-	-	-	-	-	-
j) Bodies Corp.	-	2995200	2995200	100.00	-	1080000	1080000	36.06	-
k) Banks / FI	-	-	-	-	-	-	-	-	-
l) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	2995200	2995200	100.00	-	2215000	2215000	73.95	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	111000	111000	3.71	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	669200	669200	22.34	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-





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Sub-total (A) (2):- Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	-	-	-	-	780200	780200	26.05	-
B. Public Shareholding 1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non- Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp. i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-



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Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2995200	2995200	100	-	2995200	2995200	100	-

## (ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Kansai Nerolac Paints Limited							
	At the beginning of the year	-	-	-	2995200	100	-	100
	At the end of the year	2995200	100	-				
	Total	2995200	100	--	2995200	100	--	



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(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year (01-04-2018)/ At the end of the year the end of the year (31-03-2019)		Datewise increase/ decrease in shareholding during the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	Date	Reason for increase/ decrease	No. of shares	% of total shares of the company
1.	Shanu Atmaram Pai Panandiker						
	At the beginning of the year	55200	1.84	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
2.	Ramchandra Pai Panandiker (HUF)						
	At the beginning of the year	268800	8.97	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
3.	Shanu Pai Panandiker (HUF)						
	At the beginning of the year	268800	8.97	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
4.	Vishwanath Pai Panandiker (HUF)						



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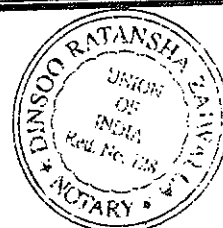
	At the beginning of the year	360000	12.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
5.	Kamlesh Pai Panandiker (HUF)						
	At the beginning of the year	399200	13.33	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
6.	Shambhu Pai Panandiker (HUF)						
	At the beginning of the year	270000	9.01	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
7.	Rohan R Pai Panandiker						
	At the beginning of the year	25800	0.86	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
8.	Rohit R Pai Panandiker						
	At the beginning of the year	25800	0.86	07.04.2018	Transfer of 25799 shares to Kansai Nerolac Paints Ltd	-	-
				07.04.2018	Transfer of 1 share to Kansai Nerolac Paints Ltd jointly held with Mr. Prashant Pai		
	At the end of the year	-	-				



9.	Ravi V Pai Panandiker						
	At the beginning of the year	12000	0.40	07.04.20 18	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
10.	Rahool Pai Panandiker	-	-				
	At the beginning of the year	12000	0.40	07.04.20 18	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year						
11.	Raj S Pai Panandiker						
	At the beginning of the year	12000	0.40	07.04.20 18	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year						
12.	Manisha Pai Panandiker						
	At the beginning of the year	12000	0.40	07.04.20 18	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
13.	Ramchandra Pai Panandiker Trading & Investment Company Pvt. Ltd.						
	At the beginning of the year	198000	6.61	07.04.20 18	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				



14.	Atmaram Pai Panandiker Trading & Investment Company Private Limited						
	At the beginning of the year	182400	6.09	07.04.20 18	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
15.	Vishwanath Pai Panandiker Trading & Investment Company Pvt. Ltd.						
	At the beginning of the year	259200	8.65	07.04.20 18	Transfer of shares to Kansai Nerolac Paints Ltd		
	At the end of the year	-	-				
16.	Shanu Pai Panandiker Trading & Investment Company Pvt. Ltd.						
	At the beginning of the year	198000	6.61	07.04.20 18	Transfer of shares to Kansai Nerolac Paints Ltd		
	At the end of the year	-	-				
17.	Veda Pai Panandiker Trading & Investment Company Pvt. Ltd.						
	At the beginning of the year	242400	8.09	07.04.20 18	Transfer of shares to Kansai Nerolac Paints Ltd		



	At the end of the year	-	-				
18.	Kunda S. Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
19.	Anjali Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
20.	Veda K. Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
21.	Kaya K. Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
22.	Mangala Pai Panandiker						
	At the beginning of the year	500	0.02	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
23.	Rajani Pai Panandiker						
	At the beginning of the year	28100	0.94	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-



	At the end of the year	-	-				
24.	Atman S Pai Panandiker						
	At the beginning of the year	1000	0.03	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
25.	Vishwanath Pai Panandiker						
	At the beginning of the year	54000	1.80	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
26.	Kamlesh Pai Panandiker						
	At the beginning of the year	54000	1.80	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
27.	Shambhu Pai Panandiker						
	At the beginning of the year	54000	1.80	07.04.2018	Transfer of shares to Kansai Nerolac Paints Ltd	-	-
	At the end of the year	-	-				
28.	Kansai Nerolac Paints Limited						
	At the beginning of the year	-	-	07.04.2018	Transfer of following shares from i) Shanu Atmaram Pai Panandiker - 55200 ii) Ramchandra Pai	-	-



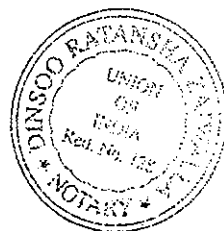
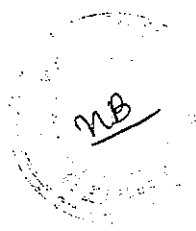


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					Panandiker (HUF) - 268800		
					iii) Shanu Pai Panandiker (HUF)- 268800		
					iv) Vishwanath Pai		
					Panandiker (HUF) - 360000		
					v) Kamlesh Pai		
					Panandiker (HUF) - 399200		
					vi) Shambhu Pai		
					Panandiker (HUF) - 270000		
					vii) Rohan R Pai		
					Panandiker - 25800		
					viii) Rohit R Pai		
					Panandiker - 25800		
					ix) Ravi V Pai Panandiker - 12000		
					x) Rahool Pai Panandiker - 12000		
					xi) Raj S Pai Panandiker - 12000		
					xi) Manisha Pai		
					Panandiker - 12000		
					xii) Ramchandra Pai		
					Panandiker Trading & Investment Company - 198000		
					xiii) Atmaram Pai		
					Panandiker Trading & Investment		



					Company Private Limited - 182400 xiv) Vishwanath Pai Panandiker Trading & Investment Company Pvt. Ltd. - 259200 xv) Shanu Pai Panandiker Trading & Investment Company Pvt. Ltd. - 198000 xvi) Veda Pai Panandiker Trading & Investment Company Pvt. Ltd. - 242400 xvii) Kunda S. Pai Panandiker- 500 xviii) Anjali Pai Panandiker - 500 xix) Veda K. Pai Panandiker - 500 xx) Kaya K Pai Panandiker- 500 xxi) Mangala Pai Panandiker - 500 xxii) 500 xxiii) Rajani Pai Panandiker - 28100 xxiv) Atman S Pai Panandiker - 1000 xxv) Vishwanath Pai Panandiker - 54000 xxvi) Kamlesh		
--	--	--	--	--	---	--	--



					Pai Panandiker - 54000 xxvii) Shambhu Pai Panandiker - 54000		
	At the end of the year	2995200	100.00				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year	NIL	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL	---	---	---
	At the End of the year ( or on the date of separation, if separated during the year)	NIL			



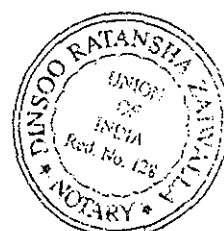
## (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Rohit Pai Panandiker</b>				
	At the beginning of the year	25800	0.86	25800	0.86
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): <i>Transfer of 25799 shares to Kansai Nerolac Paints Limited on August 7, 2018</i>  <i>Transfer of 1 share to Kansai Nerolac Paints Limited jointly held with Mr. Prashant Pai on August 7, 2018</i>				
	At the end of the year	-	-	-	-

## V: INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits (in Rs.)	Unsecured Loans (in Rs.)	Deposits (in Rs.)	Total Indebtedness (in Rs.)
Indebtedness at the beginning of the financial year	14,96,14,961.00	NIL	--	14,96,14,961
i) Principal Amount	14,96,14,961.00			14,96,14,961
ii) Interest due but not paid	NIL	NIL		
iii) Interest accrued but not due				



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Total (i+ii+iii)	14,96,14,961.00			14,96,14,961
Change in Indebtedness during the financial year	NIL	NIL		
<input type="checkbox"/> Addition	3,68,11,090.00	---		3,68,11,090
<input type="checkbox"/> Reduction				
Net Change	75,37,177.00			75,37,177.00
Indebtedness at the end of the financial year	NIL	NIL		
i) Principal Amount	11,28,03,871.00	NIL		11,28,03,871.00
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	11,28,03,871.00			11,28,03,871.00

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

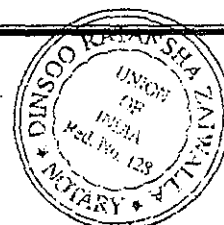
Sr. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Rohit Pai Panandiker	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Rs. 22,53,000	Rs. 22,53,000
2	Stock Option	NIL	-
3	Sweat Equity	NIL	-
4	Commission - as % of profit	NIL	-



	- others, specify...		
5	Others, please specify (HRA, LTA, Contribution To P.F, Medical Expenses	Rs. 1,56,120 -	Rs. 1,56,120
	Total	Rs. 24,09,120 -	24,09,120
	Ceiling as per the Act	NIL	

*B. Remuneration to other directors:*

Sr. no.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors  Fee for attending board / committee meetings Commission Others, please specify	NIL	-	-	-	-
	Total (1)					
	Other Non-Executive Directors  Fee for attending board / committee meetings Commission Others, please specify	NIL	-	-	-	-
	Total (2)	NIL	-	-	-	-
	Total (B)=(1+2)	NIL	-	-	-	-
	Total Managerial Remuneration	NIL	-	-	-	-
	Overall Ceiling as per the Act	—	-	-	-	-




**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	NIL	
2	Stock Option	NIL	NIL	NIL	
3	Sweat Equity	NIL	NIL	NIL	
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	
5	Others, please specify	NIL	NIL	NIL	
	Total				

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties, punishments, compounding of offences for the year ended March 31, 2019.

For and on behalf of the Board

  
P.D. Pai  
Chairman  
DIN: 08115481

April 26, 2019  
Margao, Goa

NB



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ANNEXURE B- Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

The Company does not have any Subsidiary as on the Financial year ended 31<sup>st</sup> March, 2019

1. Sl. No.
2. Name of the subsidiary
3. The date since when subsidiary was acquired
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period.
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.
6. Share capital
7. Reserves and surplus
8. Total assets
9. Total Liabilities
10. Investments
11. Turnover
12. Profit before taxation
13. Provision for taxation
14. Profit after taxation
15. Proposed Dividend
16. Extent of shareholding (in percentage)

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.





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## Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

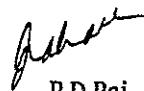
The Company does not have any Associates and/ or Joint Ventures as on the Financial year ended 31<sup>st</sup> March, 2019

Name of Associates or Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date			
2. Date on which the Associate or Joint Venture was associated or acquired			
3. Shares of Associate or Joint Ventures held by the company on the year end			
No.			
Amount of Investment in Associates or Joint Venture			
Extent of Holding (in percentage)			
4. Description of how there is significant influence			
5. Reason why the associate/joint venture is not consolidated			
6. Networth attributable to shareholding as per latest audited Balance Sheet			
7. Profit or Loss for the year			
i. Considered in Consolidation			
ii. Not Considered in Consolidation			

1. Names of associates or joint ventures which are yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified".

For and on behalf of the Board  
Marpol Private Limited



P.D. Pai  
Chairman  
DIN: 08115481

Date : April 26, 2019

Place: Margao, Goa



## ANNEXURE C- FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis : NA
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts/arrangements/transactions
  - (c) Duration of the contracts/arrangements/transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) Date of approval by the Board
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis : NIL

For and on behalf of the Board  
Marpol Private Limited



P.D Pai  
Chairman  
DIN: 08115481

Margao, Goa, April 26, 2019



THE COMPANIES ACT, 1936  
COMPANY LIMITED BY SHARES

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MEMORANDUM OF ASSOCIATION  
OF  
**MARPOL PRIVATE LIMITED**

- I. The name of the Company is MARPOL PRIVATE LIMITED.
- II. The Registered Office of the Company will be situated in the Union Territory of Goa, Daman and Diu.
- III. The Objects for which the Company is established are:

(A) THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY  
ON ITS INCORPORATION:-

- 1 To manufacture, mix, buy, sell, refine, prepare, import, export and carry on the business in Alkyd Resins, Acrylic Resins, Polyester Resins, Polyurethane, Silicone, Fluoropolymer, Polycarbonate, Isocyanate Alkyds, Powder coating Paints, Epoxies, Acrylics, epoxy polyester paints, electrophoretic paints, highsolid coatings, water borne coatings, water reducible coatings and non-aqueous dispersions.
- 2 To buy, manufacture, mix, sell, refine, prepare, import, export, and to carry on any business in minerals, methylated and rectified spirits, dry or other colours, raw materials, pigments, dyes, paints, synthetic paints and thinners, coloured or other cements, varnishes, synthetic resins, enamels, lacquers, distempers, disinfectants, oil, wood preservative, fruit or vegetable or other preservatives, printings and marking inks, writing inks, polishes, crayons, powders, electroplating, abrasive and its chemicals, shoe dressing, greases, vaselines, creams, glue, gelatine, and other glue preparations.
- 3 To refine, sell, mix, prepare for market, import, export and manufacture, prepare and extract, all kinds of turpentine including Canada turpentine from fine larchfir, pistachio and other trees and to prepare various oils, chemicals, drugs and different other products from the same.
- 4 To manufacture, produce, refine, process, formulate, buy, sell, export, import, or otherwise deal in all types of heavy and light chemicals, chemical elements and compounds, including without limiting the generality of the foregoing, laboratory, and scientific chemicals of any nature used or capable of being used in the paint industry, agricultural chemicals, fertilisers, petro-chemicals, industrial chemicals or any mixtures, derivatives and compounds thereof and its deal in all types of chemicals, pharmaceuticals and biological preparations, drugs, vaccines, injections, acids, alcohols, wine or wine syrups, cordials, mineral waters, liquors, soaps, restorative tonics, antiseptic, antiseptic cotton and dressing and other allied products and by-products thereof.



- 5 To carry on the business as manufacturers and dealers in Pharmaceutical, medical, Chemical, industrial and other preparative and articles, compounds, oils, paints, pigments and varnishes, drugs, dyeware and dealers in proprietary articles of all kinds of electrical, chemicals, photographic, surgical and scientific apparatus and materials.

(B) OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:

- 6 To carry on any other business in connection with the above mentioned business that is at any time customary or usually carried on in connection therewith or incidental thereto.
- 7 To acquire and undertake the whole or any part of the goodwill, business, concern, undertaking, properties, rights, assets, and liabilities from any individual, firm, association, trust, society, company or corporation carrying on any business which this Company is authorised to carry on or purchase any property suitable for the purpose of this Company and to pay for the same by shares in or debentures of this Company or by cash or in satisfaction of the Company's claim, loans, advances or otherwise or partially in one way and partially in the other way and to conduct, expand and develop and wind up, liquidate such business and purchase and to take steps for the acquisition of existing or new licences in connection with any such business.
- 8 To acquire by purchase or otherwise or other build, construct, alter, maintain, enlarge, pull down, demolish, remove, or replace and to work, manage and control any lands, buildings, offices, factories, mills, ships, machinery, engines, roadways, tramways, sidings, bridges, wharves reservoirs, water courses, electric works, and other works and conveniences which may seem calculated directly or indirectly to advance the interests of the Company and to join with any other person or company in doing any of these things.
- 9 To acquire from any person or company within or out of India technical information knowhow, processes, engineering, manufacturing and operating data, plans, lay-outs and blue prints, useful for any of the business of the Company and to acquire any grant of licence and other rights and benefits in the foregoing matters and things.
- 10 To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose of the whole or any of the undertakings, property, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for stocks or shares, whether fully or partly paid up, or securities of any other company.
- 11 To pay for any rights or property acquired by the Company and to remunerate any person or company rendering services to the Company either by cash payment or by allotment to him or them of shares or securities of the Company as paid up in full or in part or otherwise.
- 12 To draw, make, accept, endorse, discount, negotiate, execute, and issue Bills of Exchange, Promissory Notes, Bills of Lending, Warrants, debentures and other negotiable or transferable instruments or securities.
- 13 To undertake financial and commercial obligations, transactions and operations of all kinds in connection with any of the business of the Company.



MARPOL PRIVATE LIMITED  
BALANCE SHEET AS AT 31ST MARCH, 2019

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In Rupees

	Note	As at 31st March, 2019	As at 31st March, 2018
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, Plant and Equipment	2	4,08,56,876	4,98,22,131
Capital Work-in-progress		1,62,53,206	-
Other Intangible Assets	3	7,96,405	9,86,474
		5,79,06,487	5,08,08,604
<b>Financial Assets:</b>			
Investments	4	-	5,00,000
		-	5,00,000
Other Non-current Assets	5	1,62,016	20,55,247
<b>Total Non-current Assets</b>		<b>5,80,68,503</b>	<b>5,33,63,851</b>
<b>Current Assets</b>			
Inventories	6	12,69,39,564	8,86,33,753
<b>Financial Assets:</b>			
Trade Receivables	7	15,65,61,249	12,08,11,416
Cash and Cash Equivalents	8	7,67,541	4,27,27,215
Bank Balances other than Cash and Cash	9	32,73,054	19,35,340
Loans	10	10,97,356	18,56,412
		16,16,99,201	16,73,30,383
Other Current Assets	11	75,18,472	1,01,54,567
<b>Total Current Assets</b>		<b>29,61,57,236</b>	<b>26,61,18,704</b>
<b>Total Assets</b>		<b>35,42,25,739</b>	<b>31,94,82,555</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12	2,99,52,000	2,99,52,000
Reserves and Surplus	13	6,26,57,091	4,58,05,164
<b>Total Equity</b>		<b>9,26,09,091</b>	<b>7,57,57,164</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>Financial Liabilities:</b>			
Borrowings	14	-	10,23,811
Deferred Tax Liabilities (Net)	15	2,03,154	16,78,616
<b>Total Non-current Liabilities</b>		<b>2,03,154</b>	<b>27,02,429</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities:</b>			
Borrowings	16	10,50,05,546	14,85,91,150
Trade Payables	17	14,52,29,344	8,37,25,690
Other Financial Liabilities	18	32,94,339	30,94,339
		25,35,29,230	23,54,11,179
Other Current Liabilities	19	46,33,466	45,64,695
Provisions	20	32,50,798	10,47,089
<b>Total Current Liabilities</b>		<b>26,14,13,494</b>	<b>24,10,22,962</b>
<b>Total Liabilities</b>		<b>26,16,16,648</b>	<b>24,37,25,391</b>
<b>Total Equity and Liabilities</b>		<b>35,42,25,739</b>	<b>31,94,82,555</b>

Significant Accounting Policies

The notes referred to above form an integral part of Financial Statements

As per our Report of even date  
For Ganesh Dalvajna & Co.  
Chartered Accountants  
Firm Reg No. 103054W

Naveen G Dalvajna  
Partner  
M. No. 126231

Place : Margao , Goa

Date : 26th April 2019

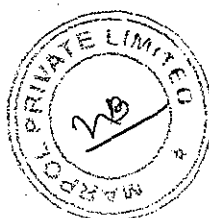


For and on behalf of the Board

Rohit P. Panandiker  
Director  
DIN - 00559055

Place : Margao , Goa

Date : 26th April 2019



G.T. Govindarajan  
Director  
DIN - 08105268

P.D. Pai  
Director  
DIN - 08115481



MARPOL PRIVATE LIMITED  
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2019

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		Period ended 31st March, 2019	Year ended 31st March, 2018
	Note		In Rupees
Income			
Revenue from Operations	21	68,90,38,289	59,39,73,909
Other Income	22	4,63,175	27,03,223
<b>Total Income</b>		<b>68,95,01,463</b>	<b>59,66,77,132</b>
Expenses			
Cost of Materials Consumed	23	51,06,50,202	39,02,71,619
Changes in Inventories of Finished Goods, Stock-in-trade and Work-In-progress	24	(1,32,62,224)	1,44,57,195
Excise Duty on Sale of Goods		-	1,89,44,223
Employee Benefits Expense	25	4,89,01,943	6,05,81,052
Finance Costs		95,11,242	1,29,05,635
Depreciation and Amortisation Expenses	26	1,00,42,011	1,04,58,504
Other Expenses	27	10,38,81,825	12,08,22,697
<b>Total Expenses</b>		<b>66,97,25,000</b>	<b>62,84,40,925</b>
Profit/(Loss) Before Exceptional Item and Tax		1,97,76,464	(3,17,63,793)
Exceptional Item		-	4,33,08,587
Profit/(Loss) After Exceptional Item and Before Tax		1,97,76,464	(7,50,72,379)
Tax Expense			
Current Tax		44,00,000	-
Deferred Tax		(14,75,464)	(2,43,883)
<b>Total Tax Expense</b>		<b>29,24,536</b>	<b>(2,43,883)</b>
Profit/(Loss) for the Year		1,68,51,928	(7,48,28,496)
Earnings per Share:			
Basic and Diluted		5.63	(24.98)

Significant Accounting Policies

1

The notes referred to above form an integral part of Financial Statements

As per our Report of even date

For Ganesh Daivajna & Co.

Chartered Accountants

Firm Reg No. 103054W

Naveen C. Daivajna

Partner

M. No. 126231



Place : Margao , Goa

Date : 26th April 2019

For and on behalf of the Board

*Rohit Pai Panandiker*

Rohit Pai Panandiker

Director

DIN - 00559055



*G.V. Govindarajan*

G.V. Govindarajan

Director

DIN - 08105268

*P.D. Pai*

P.D. Pai

Director

DIN - 08115481

Place : Margao , Goa

Date : 26th April 2019



MARPOL PRIVATE LIMITED  
STATEMENT OF CHANGES IN EQUITY

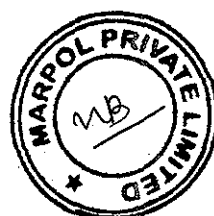
97

A – Equity Share Capital

	Rs. in Crores
Balance as at 1st April, 2018	2,99,52,000
Changes in Equity Share Capital during 2018-2019	-
Balance as at 31st December, 2018	2,99,52,000

B – Other Equity

	Rs. in Crores		
	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2018	83,92,356	3,74,10,430	4,58,02,786
Total Comprehensive Income for the Year	-	1,68,51,928	1,68,51,928
Transaction with Owners in their Capacity as Owners, recorded directly in equity			
Dividends	-	-	-
Dividend Distribution Tax	-	-	-
	-	-	-
Transfer from Retained Earnings	-	-	-
Transfer to General Reserve	-	-	-
Balance as at 31st March, 2019	83,92,356	5,42,62,357	6,26,54,713



MARPOL PRIVATE LIMITED  
STANDALONE STATEMENT CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019

98

	Year ended 31st March, 2019
<b>Cash Flow From Operating Activities</b>	
Profit Before Tax	1,97,76,463.80
Adjustments for:	
Depreciation and Amortisation Expenses	1,00,42,011.00
Fair Value Gain on Financial Instruments recognised through FVTPL	-
Unrealised Foreign Exchange Gain (Net)	-
Profit on Sale of Current Investments (Net)	-
Interest Income	(1,95,169.58)
Insurance Claim Receivable	(2,68,005.00)
(Profit)/Loss on Sale of Property, Plant and Equipment (Net)	-
Provisions for Doubtful Debts and Bad Debts	-
Reversal of Indirect Tax Provisions	-
Interest Expense	95,11,242.06
	95,78,836.42
Operating Profit Before Working Capital Changes	2,93,55,300.22
(Increase) in Trade and Other Receivables	(3,00,10,205.39)
(Increase) in Inventories	(3,83,05,811.00)
Decrease in Trade Payables, Other Financial Liabilities and Provisions	6,39,07,363.72
	(44,08,652.67)
Cash Generated from Operations	2,49,46,647.55
Direct Taxes Paid (Net of Refunds)	(25,06,769.00)
Net Cash Flows generated from Operating Activities	2,24,39,878.55
<b>Cash Flow from Investing Activities</b>	
Purchase of Property, Plant and Equipment and Other Intangible Assets (including Adjustments on Account of Capital Work-in-progress, Capital Creditors and Capital Advances)	(9,39,652.00)
Payment for CWP	(1,62,53,205.50)
Proceeds from Sale of Property, Plant and Equipment	32,47,906.00
Purchase of Current Investments	-
Proceeds from Sale / Redemption of Current Investments	5,00,000.00
Purchase of Investments in Subsidiaries	-
Interest Received	1,95,169.58
Insurance Claim Receivable	2,68,005.00
Proceeds from Fixed Deposits on Maturity	-
Net Cash Flows (used in) from Investing Activities	(1,29,81,776.92)
<b>Cash Flows from Financing Activities</b>	
Repayment of long-term borrowings	(4,46,09,414.63)
Interest Paid	(95,11,242.06)
Tax on Proposed Dividend	-
Net Cash Flows (used in) Financing Activities	(5,41,20,656.69)
Net Increase / (Decrease) in Cash and Cash Equivalents	(4,46,62,555.06)

MARPOL PRIVATE LIMITED  
STANDALONE STATEMENT CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019 (contd.)

	Year ended 31st March, 2019
<b>Cash and Cash Equivalents at beginning of the year, the components being:</b>	
Cash on Hand	45,003.39
Cheques on hand	4,26,82,211.59
Balances with Banks on Current, Margin and Fixed Deposit Accounts	19,35,340.08
Effect of exchange rate fluctuation	-
	4,46,62,555.06
<b>Cash and Cash Equivalents at end of the year, the components being:</b>	
Cash on Hand	61,745.70
Cheques on hand	7,05,795.73
Balances with Banks on Current, Margin and Fixed Deposit Accounts	32,73,053.97
Effect of exchange rate fluctuation	-
	40,40,595.40
Net Increase / (Decrease) as disclosed above	(4,06,21,959.66)



As per our Report of even date  
For Ganesh Daivajna & Co.  
Chartered Accountants  
Firm Reg No. 103054W

Naveen G. Daivajna  
Partner  
M.No.126231

Place: Margao, Goa  
Date: 27th June, 2018

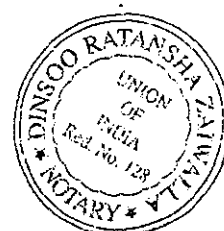


For and on behalf of the Board

Ronit Pal Panandiker  
Director  
DIN - 00559055

G.T. Govindarajan  
Director  
DIN - 08105268

P.D. Pal  
Director  
DIN - 08115481





MARPOL PRIVATE LIMITED

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

99

Note A: Corporate Information

Marpol Private Limited (the 'Company') is a private limited company domiciled in India and incorporated under the provisions of the Companies Act. The registered office of the Company is located at Margao, Goa. The Company is principally engaged in the manufacturing of Powder.

The Standalone Financial Statements for the year ended 31st March, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on .

Note B: Basis of preparation

1 Statement of compliance

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's Accounting Policies are included in Note 1.

2 Functional and Presentation currency

The Standalone Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest crores, unless otherwise indicated.

3 Basis of measurement

The Standalone Financial Statements have been prepared on the historical cost basis except for investments in mutual funds, non-trade equity shares, bonds and provision for employee defined benefit plans.

4 Use of estimates and judgements

Critical accounting judgments and key sources of estimation uncertainty:

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

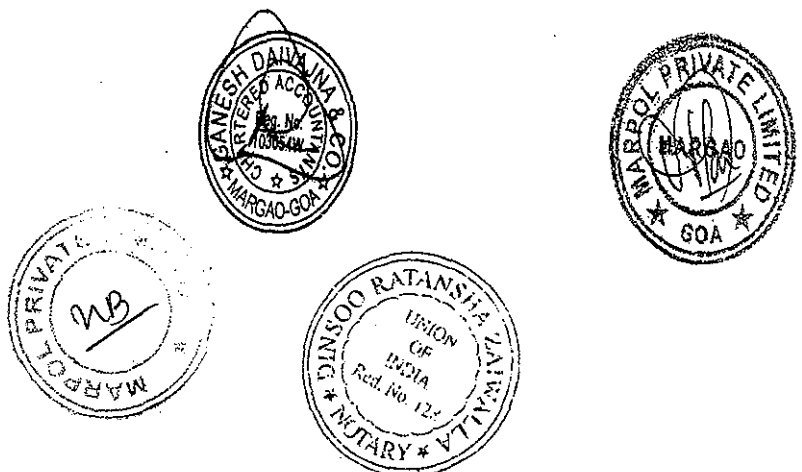
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i) Critical Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amount recognised in the financial statements.

Discount rate used to determine the carrying amount of the Company's defined benefit obligation.

In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.



**Contingences and Commitments**

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallising or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

**ii) Key Sources of Estimation Uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

**Useful Lives of Property, Plant and Equipment**

As described in Note 1(3)(c), the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management determined that there were no changes to the useful lives and residual values of the property, plant and equipment.

**Allowances for Doubtful Debts**

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

**Allowances for Inventories**

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

**Liability for Sales Return**

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 18 and in particular, whether the Company had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Company's liability towards sales return, the management is satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return.

Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.



**Note C: Recent Accounting Pronouncement**

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified the following new and amendments to Ind AS which the Company has not applied as they are effective for annual period beginning on or after 1 April 2019.

Ind AS 116 - Leases

Ind AS 116 - Leases

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard - i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company has completed an initial assessment of the potential impact on its standalone financial statements but has not yet completed its detailed assessment. The quantitative impact of adoption of Ind AS 116 on the consolidated financial statements in the period of initial application is not reasonably estimable as at present.

Following impacts are expected:

- the total assets and liabilities on the balance sheet will increase with a decrease in net total assets, due to the depreciation of right of use assets being on a straight-line basis whilst the lease liability reduces by the principal amount of repayments;
- Interest expense will increase due to the unwinding of the effective interest rate implicit in the lease liability. Interest expense will be greater earlier in a lease's life, due to the higher principal value, causing profit variability over the term of lease. This effect may be partially mitigated due to the number of leases held by Cochlear at various stages of their terms; and
- operating cash flows will be higher and financing cash flows will be lower, as repayment of the principal portion of all lease liabilities will be classified as financing activities.

In addition to the above, the following amendments to existing standards have been issued, are not yet effective and are not expected to have a significant impact on the standalone financial statements:

- Amendments to Ind AS 103, Business Combinations, and Ind AS 111, Joint Arrangements: This interpretation clarifies how an entity accounts for increasing its interest in a joint operation that meets the definition of a business.

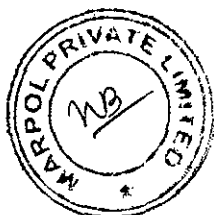
- Amendments to Ind AS 109, Financial Instruments: amendments relating to the classification of particular prepayable financial assets

- Amendments to Ind AS 12, Income Taxes, clarify that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transactions that generated the distributable profits - i.e. in profit or loss, other comprehensive income or equity. Further Appendix C, uncertainty over income tax treatments has been added to clarify how entities should reflect uncertainties over income tax treatments, in particular when assessing the outcome a tax authority might reach with full knowledge and information if it were to make an examination.

- Amendment to Ind AS 19, Employee Benefits - The amendment to Ind AS 19 clarifies that on amendment, curtailment or settlement of a defined benefit plan, the current service cost and net interest for the remainder of the annual reporting period are calculated using updated actuarial assumptions - i.e. consistent with the calculation of a gain or loss on the plan amendment, curtailment or settlement. This amendment also clarifies that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognized in profit or loss. The entity then determines the effect of the asset ceiling after plan amendment, curtailment or settlement. Any change in that effect is recognized in other comprehensive income (except for amounts included in net interest).

- Amendments to Ind AS 23, Borrowing Costs, clarify that the general borrowings pool used to calculate eligible borrowing costs excludes only borrowings that specifically finance qualifying assets that are still under development or construction.

- Amendments to Ind AS 28, Investments in Associates and Joint Ventures: When applying the equity method, a non-investment entity that has an interest in an investment entity associate or joint venture can elect to retain the fair value accounting applied by the associate or joint venture to its subsidiaries. Venture capital and other qualifying organizations can elect to measure investments in associates or joint ventures at fair value through profit or loss instead of applying the equity method. The amendments clarify that both these elections apply for each investment entity associate or joint venture separately.



## MARPOL PRIVATE LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note III Significant Accounting Policies**1 Classification of Assets and Liabilities**

Schedule III to the Act, requires assets and liabilities to be classified as either Current or Non-current.

(a) An asset shall be classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realised within twelve months after the reporting date; or
- (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

(b) All assets other than current assets shall be classified as non-current.

(c) A liability shall be classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within twelve months after the reporting date; or
- (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

(d) All liabilities other than current liabilities shall be classified as non-current.

**2 Operating Cycle**

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has ascertained the operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

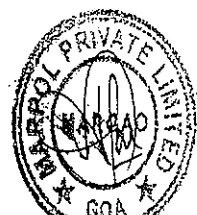
**3 Property, Plant and Equipment****(a) Recognition and Measurement**

An item of Property, Plant and Equipment that qualifies for recognition as an asset is initially measured at its cost and then carried at the cost less accumulated depreciation and accumulated impairment, if any.

The cost of an item of Property, Plant and Equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is included in the cost of an item of property, plant and equipment.

The cost of a self-constructed item of Property, Plant and Equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Tangible Property, Plant and Equipment under construction are disclosed as Capital Work-in-progress. Item of Capital Work-in-progress is carried at cost using the principles of valuation of item of property, plant and equipment till it is ready for use, the manner in which intended by management.



## MARPOL PRIVATE LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note III: Significant Accounting Policies (contd.)**3 Property, Plant and Equipment (contd.)****(b) Subsequent Expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**(c) Depreciation**

The depreciable amount of an item of Property, Plant and Equipment is allocated on a systematic basis over its useful life. The Company provides depreciation on the straight line method. The Company believes that straight line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. Based on internal technical evaluation, the management believes useful lives of the assets are appropriate. The depreciation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in the Standalone Statement of Profit and Loss unless it is included in the carrying amount of another asset.

The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The estimated useful lives for the current and comparative periods are as follows:

Asset Class	Useful Lives - (in years) - as per Companies Act, 2013	Useful Lives (in years) - as estimated by the Company
Buildings	30-60	30-60
Plant and Equipments	10-20	10-25
Furniture and Fixtures	10	10
Vehicles	10	10
Office Equipments	5	5
Computers	3-6	3-6
Assets for Scientific Research	10-20	20
Assets on Operating Lease	NA	5

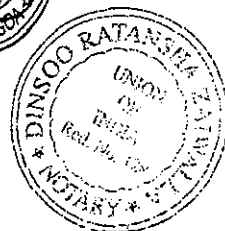
Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

Depreciation charge for the year is displayed as depreciation on the face of Standalone Statement of Profit and Loss.

Leasehold lands and leasehold improvements are amortised over the primary period of lease.

**(d) Disposal**

The carrying amount of an item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment is included in Standalone Statement of Profit and Loss when the item is derecognised.



**4 Investment Property**

**(a) Recognition and Measurement**

Land or building held to earn rentals or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business is recognised as Investment Property. Land held for a currently undetermined future use is also recognised as Investment Property.

An investment property is measured initially at its cost. The cost of an investment property comprises its purchase price and any directly attributable expenditure. After initial recognition, the Company carries the investment property at the cost less accumulated depreciation and accumulated impairment, if any.

**(b) Depreciation**

After initial recognition, the Company measures all of its investment property in accordance with Ind AS 16 - Property, Plant and Equipment requirements for cost model. The depreciable amount of an item of investment property is allocated on a systematic basis over its useful life. The Company provides depreciation on the straight line method. The Company believes that straight line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. Based on internal technical evaluation, the management believes useful lives of the assets are appropriate. The depreciation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

The depreciation charge for each period is generally recognised in the Standalone Statement of Profit and Loss.

The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The estimated useful lives for the current and comparative periods are as follows:

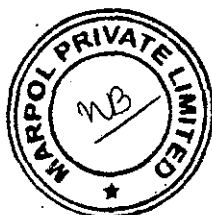
Asset Class	Useful Lives (in years) - as per Companies Act, 2013	Useful Lives (in years) - as estimated by the Company
Buildings	30-60	30-60

**(c) Fair Value**

Fair value of investment property is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The fair value of investment property is disclosed in the Note 3.

**(d) Gain or loss on Disposal**

Any gain or loss on disposal of an Investment Property is recognised in the Standalone Statement of Profit and Loss.



**5 Other Intangible Assets**

**(a) Recognition and Measurement**

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are initially measured at its cost and then carried at the cost less accumulated amortisation and accumulated impairment, if any.

**Research and Development**

Research is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding. Expenditure incurred on research of an internal project is recognised as an expense in Standalone Statement of Profit and Loss, when it is incurred.

Development is the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use. An intangible asset arising from development is recognised if, and only if, the following criteria are met:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale.
- (b) the Company intends to complete the intangible asset and use or sell it.
- (c) the Company has ability to use or sell the intangible asset.
- (d) the Company can demonstrate how the intangible asset will generate probable future economic benefits.
- (e) the Company has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- (f) the Company has ability to measure reliably the expenditure attributable to the intangible asset during its development.

Expenditure on research activities is recognised in Standalone Statement of Profit and Loss as incurred.

**(b) Subsequent Expenditure**

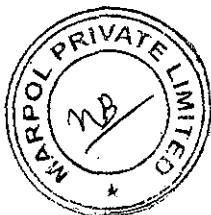
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in Standalone Statement of Profit and Loss as incurred.

**(c) Amortisation**

The Company amortises Other Intangible Assets on the straight line method. The Company believes that straight-line method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. The amortisation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. The estimated useful lives as estimated by management are as follows:

Asset Class	Useful Lives (in years) - as estimated by the Company
Software	3 Years



Note III: Significant Accounting Policies (contd.)

6 Non-current assets or disposal group held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in Standalone Statement of Profit and Loss.

Once assets classified as held-for-sale, then Property, Plant and Equipment, Investment Property and Other Intangible Assets are no longer required to be depreciated or amortised.

7 Employee Benefits

(a) Short-term Employee Benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(b) Post-Employment Benefits:

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

(i) Provident and Family Pension Fund

The eligible employees of the Company are entitled to receive post employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary (currently 12% of employees' eligible salary). The contributions are made to the Regional Provident Fund Commissioner (RPFC) which are charged to the Standalone Statement of Profit and Loss as incurred.

In respect of contribution to RPFC, the Company has no further obligations beyond making the contribution, and hence, such employee benefit plan is classified as Defined Contribution Plan. The Company's contribution is recognised as an expense in the Standalone Statement of Profit and Loss.





## MARPOL PRIVATE LIMITED

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note III: Significant Accounting Policies (contd.)

## 7 Employee Benefits (contd.)

## (b) Post-Employment Benefits (contd.):

## Defined contribution plans (contd.)

## (ii) Superannuation

The eligible employees of the Company are entitled to receive post employment benefits in respect of superannuation fund in which the Company makes annual contribution at a specified percentage of the employees' eligible salary (currently 15% of employees' eligible salary). The contributions are made to the Life Insurance Corporation of India (LIC). Superannuation is classified as Defined Contribution Plan as the Company has no further obligations beyond making the contribution. The Company's contribution is recognised as an expense in the Standalone Statement of Profit and Loss.

## Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Standalone Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.



7 Employee Benefits (contd.)

Defined Benefit Plans (contd.)

Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days to one month salary payable for each completed year of service or part thereof in excess of six months depending upon category of employee. Vesting occurs upon completion of five years of service. The Company has obtained insurance policies with the Life Insurance Corporation of India (LIC) and makes an annual contribution to LIC for amounts notified by LIC. The Company accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial gains and losses are recognised as Other Comprehensive Income.

Provident Fund Trust

In respect of contribution to the trust set up by the Company, since the Company is obligated to meet interest shortfall, if any, with respect to covered employees, such employee benefit plan is classified as Defined Benefit Plan. Any obligation in this respect is measured on the basis of independent actuarial valuation.

(c) Other Long-term Employee Benefits - Compensated Absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Company makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in the Standalone Statement of Profit and Loss.

8 Inventories

(a) Measurement of Inventory

The Company measures its inventories at the lower of cost and net realisable value.

(b) Cost of Inventories

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

The costs of conversion of inventories include costs directly related to the units of production and a systematic allocation of fixed and variable production overheads that are incurred in converting materials into finished goods.

Other costs are included in the cost of inventories only to the extent that they are incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned by weighted average cost formula. The Company uses the same cost formula for all inventories having a similar nature and use to the Company.



Note III: Significant Accounting Policies (contd.)

**8 Inventories (Contd.)**

**(c) Net realisable value**

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Net realisable value is ascertained for each item of inventories with reference to the selling prices of related finished products.

The practice of writing inventories down below cost to net realisable value is consistent with the view that assets should not be carried in excess of amounts expected to be realised from their sale or use. Inventories are usually written down to net realisable value item by item. Estimates of net realisable value of finished goods and stock-in-trade are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value.

Amount of any reversal of write-down of inventories shall be recognised as an expense as when the event occurs.

A new assessment is made of net realisable value in each subsequent period. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed. Amounts such reversed shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which reversal occurs.

**(d) Valuation of Spare parts, stand-by equipments and servicing equipments**

Spare parts, stand-by equipment and servicing equipment are recognised as Property, Plant and Equipment if and only if it is probable that future economic benefits associated with them will flow to the Company and their cost can be measured reliably. Otherwise such items are classified and recognised as Inventory.

**9 Cash and Cash Equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject to an insignificant risk of changes in value. Therefore, an investment normally qualifies as a cash equivalent only when it has a short maturity of, say, three months or less from the date of acquisition. Bank overdrafts which are repayable on demand form an integral part of the Company's cash management, hence bank overdrafts are included as a component of cash and cash equivalents.

**10 Government Grants**

Government grants are assistance by government in the form of transfers of resources to the Company in return for past or future compliance with certain conditions relating to the operating activities of the Company. Government grants are not be recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.



Note III: Significant Accounting Policies (contd.)

**11 Provisions and Contingent Liabilities**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

**Warranties**

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities.

**Restructuring**

A provision for restructuring is recognised when the Company has approved a detailed formal restructuring plan, and the restructuring either has commenced or has been announced publicly.

**Onerous contracts**

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

**12 Revenue Recognition**

Effective 1 April, 2018, the Company has adopted Ind AS 115 'Revenue from contracts with customers'.

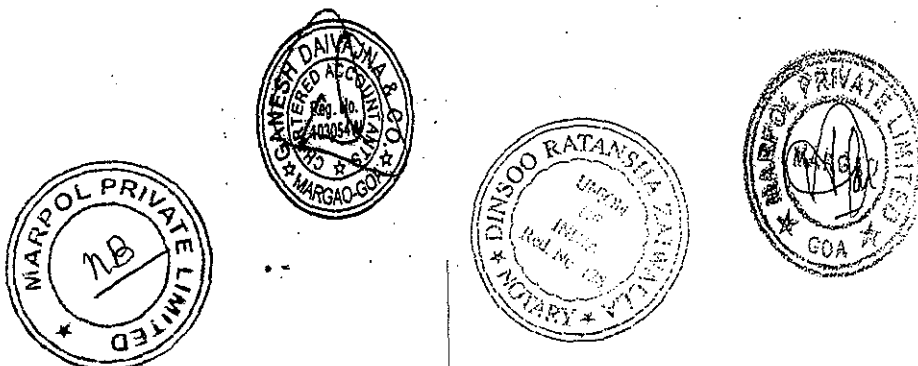
Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue is adjusted for estimated customer returns, rebates and other similar allowances. Revenue from sale of goods is recognized as per below 5 step model:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, revenue is recognized when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer, i.e. at which time all the following conditions are satisfied:

- The company has transferred to the buyer the significant risk & rewards of the ownership of the goods
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- The amount of revenue can be measured reliably
- It is probable that economic benefits associated with the transaction will flow to the company and

The costs incurred or to be incurred in respect of the transaction can be measured reliably.



Note III: Significant Accounting Policies (contd.)**12 Revenue Recognition (contd.)****Interest Income**

Interest income is recognised using the effective interest method as set out in Ind AS 109 – Financial Instruments: Recognition and Measurement, when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability (or group of financial assets or financial liabilities) and of allocating the interest income or interest expense over the relevant period.

**Royalty Income**

Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement when it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably.

**Dividend Income**

Dividend income is recognised when right to receive payment is established and it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of the revenue can be measured reliably.

**13 Foreign Currency Transactions**

Functional currency is the currency of the primary economic environment in which the Company operates whereas presentation currency is the currency in which the financial statements are presented. Indian Rupee is the functional as well as presentation currency for the Company.

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of each reporting period, foreign currency monetary items are translated using the closing rate whereas non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Financial Statements are recognised in the Standalone Statement of Profit and Loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised in Other Comprehensive Income, any exchange component of that gain or loss is recognised in Other Comprehensive Income. Conversely, when a gain or loss on a non-monetary item is recognised in Standalone Statement of Profit and Loss, any exchange component of that gain or loss is recognised in Standalone Statement of Profit and Loss.



14 Taxation

Income tax

Income tax comprises current tax and deferred tax expense. It is recognised in Standalone Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in Equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

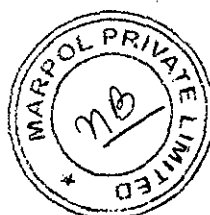
- a temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- b taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.



Note III: Significant Accounting Policies (contd.)**15 Lease**

Leases of Property, Plant and Equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or the financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Standalone Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

At inception of an arrangement, it is determined whether the arrangement is or contains a lease. At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Standalone Statement of Profit and Loss on straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.



Note III: Significant Accounting Policies (contd.)

**16 Financial Instruments**

**(a) Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual terms of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at Fair Value through Profit and Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

**(b) Classification and subsequent measurement**

**Financial assets**

On initial recognition, a financial asset is measured at

- amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) - debt investment;
- Fair Value through Other Comprehensive Income - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.





16 Financial Instruments (contd.)

(b) Classification and subsequent measurement (contd.)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Standalone Statement of Profit and Loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Standalone Statement of Profit and Loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Standalone Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in Standalone Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Standalone Statement of Profit and Loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Standalone Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Standalone Statement of Profit and Loss.

(c) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

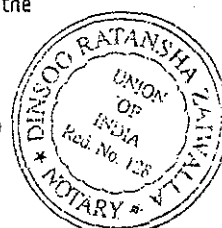
Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Standalone Statement of Profit and Loss.

(d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



Note III: Significant Accounting Policies (contd.)

**17 Borrowing Cost**

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Company recognises other borrowing costs as an expense in the period in which it incurs them. Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

**18 Earnings Per Share**

**Basic earnings per share**

The Company calculates basic earnings per share amounts for profit or loss attributable to ordinary equity holders and, if presented, profit or loss from continuing operations attributable to those equity holders.

Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the period.

The weighted average number of ordinary shares outstanding during the period and for all periods presented shall be adjusted for events, other than the conversion of potential ordinary shares, that have changed the number of ordinary shares outstanding without a corresponding change in resources.

**Diluted earnings per share**

The Company calculates diluted earnings per share amounts for profit or loss attributable to ordinary equity holders and, if presented, profit or loss from continuing operations attributable to those equity holders.

For the purpose of calculating diluted earnings per share, the Company adjusts profit or loss attributable to ordinary equity holders, and the weighted average number of shares outstanding, for the effects of all dilutive potential ordinary shares, if any.

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares calculated for calculating basic earnings per share and adjusted the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. Dilutive potential ordinary shares are deemed to have been converted into ordinary shares at the beginning of the period or, if later, the date of the issue of the potential ordinary shares.



Note III: Significant Accounting Policies (contd.)**19 Impairment Loss****Impairment of Financial Assets**

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'creditimpaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

In accordance with Ind AS 109 - Financial Instruments, the Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

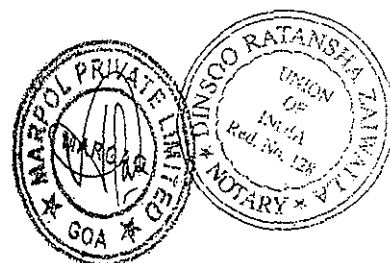
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**Impairment of Non Financial Assets**

An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. 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. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate.

The Company assesses at the end of each reporting period whether there is any indication that an asset is impaired. In assessing whether there is any indication that an asset may be impaired, the Company considers External as well as Internal Source of Information. If any such indication exists, the Company estimates the recoverable amount for the individual asset. If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the asset is carried at revalued amount in accordance with another Standard.

If it is not possible to estimate the recoverable amount of the individual asset, the Company determines the recoverable amount of the cash generating unit to which the asset belongs (the asset's cash-generating unit). A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The Company recognises impairment loss for a cash-generating unit if, and only if, the recoverable amount of the cash-generating unit is less than the carrying amount of the cash-generating unit. The Company allocates impairment loss of cash-generating units first to the carrying amount of goodwill allocated to the cash-generating units, if any, and then, to the other assets of the cash-generating units pro rata on the basis of the carrying amount of each asset in the cash-generating unit. These reductions in carrying amounts shall be treated as impairment losses on individual assets and recognised accordingly.



Part III: Significant Accounting Policies (contd.)

20 Measurement of fair values

A number of the Companies accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included in 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)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

21 Investment in Subsidiaries

A subsidiary is an entity that is controlled by the Company.

The Company accounts for the investments in equity shares of subsidiaries at cost in accordance with Ind AS 27 - Separate Financial Statements.



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

Note 2: Property, Plant and Equipment

In Rupees

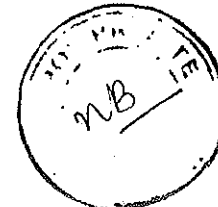
Description	Gross Block			Accumulated Depreciation				Net Block	
	As at 1st April, 2018	Additions	Deductions	As at 31st March, 2019	As at 1st April, 2018	Additions	Deductions	As at 31st March, 2019	As at 31st March, 2019
Leasehold Land	29,98,799 (43,71,607)	-	- (13,72,808)	29,98,799 (29,98,799)	6,14,047 (7,51,189)	48,913 (61,215)	- (1,98,357)	6,62,960 (6,14,047)	23,35,839 (23,84,752)
Buildings	3,28,23,838 (3,95,74,783)	5,09,652	- (67,50,945)	3,33,33,490 (3,28,23,838)	1,73,08,874 (1,89,66,564)	11,32,553 (13,58,813)	- (30,16,503)	1,84,41,427 (1,73,08,874)	1,48,92,063 (1,55,14,964)
Plant and Equipments	20,36,84,548 (20,52,02,227)	- (32,81,435)	- (47,99,114)	20,36,84,548 (20,36,84,548)	17,31,19,406 (17,00,04,761)	76,15,717 (77,11,428)	- (45,96,782)	18,07,35,123 (17,31,19,406)	2,29,49,425 (3,05,65,142)
Furniture and Fixtures	70,48,971 (70,48,971)	-	-	70,48,971 (70,48,971)	69,91,683 (69,60,397)	24,118 (31,286)	-	70,15,801 (69,91,683)	33,170 (57,288)
Vehicles	42,95,152 (55,74,462)	-	32,47,906 (12,79,310)	10,47,246 (42,95,152)	40,31,498 (43,91,110)	85,250 (2,87,554)	31,94,952 (6,47,166)	9,21,796 (40,31,498)	1,25,450 (2,63,654)
Office Equipments	81,80,304 (82,86,677)	- (24,500)	- (1,30,873)	81,80,304 (81,80,304)	77,36,545 (76,44,939)	2,22,722 (2,22,479)	- (1,30,873)	79,59,267 (77,36,545)	2,21,037 (4,43,759)
Computers	63,39,122 (93,99,194)	4,30,000 (3,14,816)	- (33,74,889)	67,69,122 (63,39,122)	57,46,550 (87,15,847)	7,22,679 (4,05,592)	- (33,74,889)	64,69,230 (57,46,550)	2,99,892 (5,92,571)
<b>Total Tangible Assets</b>	<b>26,53,70,735</b> <b>(27,94,57,922)</b>	<b>9,39,652</b> <b>(36,20,751)</b>	<b>32,47,906</b> <b>(1,77,07,938)</b>	<b>26,30,62,481</b> <b>(26,53,70,735)</b>	<b>21,55,48,604</b> <b>(21,74,34,807)</b>	<b>98,51,952</b> <b>(1,00,78,367)</b>	<b>31,94,952</b> <b>(1,19,64,570)</b>	<b>22,22,05,604</b> <b>(21,55,48,604)</b>	<b>4,08,56,876</b> <b>(4,98,22,131)</b>

2.1. Figures in the brackets are the corresponding figures in respect of the previous year.

2.2. No items of Property, Plant and Equipment were pledged as security for liabilities during any part of the current and comparative periods.

2.3. Nil amount of borrowing costs is capitalised during the current and comparative periods.

2.4. Nil amount of impairment loss is recognised during the current and comparative periods.



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MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

In Rupees

Note 3: Other Intangible Assets

Description	Gross Block				Accumulated Amortisation				Net Block
	As at 1st April, 2018	Additions	Deductions	As at 31st March, 2019	As at 1st April, 2018	Additions	Deductions	As at 31st March, 2019	As at 31st March, 2019
Software	31,30,375 (19,52,375)	- (11,78,000)	- -	31,30,375 (31,30,375)	21,43,901 (17,63,764)	1,90,069 (3,80,138)	- -	23,33,970 (21,43,901)	7,96,405 (9,86,474)
Total Other Intangible Assets	31,30,375 (19,52,375)	- (11,78,000)	- -	31,30,375 (31,30,375)	21,43,901 (17,63,764)	1,90,069 (3,80,138)	- -	23,33,970 (21,43,901)	7,96,405 (9,86,474)

- 3.1. Figures in the brackets are the corresponding figures in respect of the previous year.  
3.2. Nil amount of borrowing costs is capitalised during the current and comparative periods.  
3.3. Nil amount of impairment loss is recognised during the current and comparative periods.



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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Note 4: Non-current Investments

	As at 31st March, 2019	In Rupees As at 31st March, 2018
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Investments in Equity Instruments:

i. Others		
Goa Urban Co-op. Bank	-	5,00,000
Nil		
(10,000 Equity Shares of Rs. 50 each)		
Total Non-current Investments	-	5,00,000
Aggregate book value of unquoted investments	-	5,00,000
Aggregate market value of unquoted investments	-	5,00,000
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	Nil	Nil



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 5: Other non-current assets

	As at 31st March, 2019	As at 31st March, 2018
Unsecured and Considered Good		
Capital Advances	-	-
Income Tax Paid (Net of Provisions)	1,62,016	20,55,247
	<u>1,62,016</u>	<u>20,55,247</u>

Note 6: Inventories

Raw Materials	5,35,48,330	3,61,68,424
Work-in-progress	87,57,553	1,22,16,234
Finished Goods	4,03,24,577	2,36,03,672
Stores and Spares	2,43,09,104	1,66,45,423
	<u>12,69,39,564</u>	<u>8,86,33,753</u>





MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 7: Trade Receivables

Overdue for a Period Exceeding Six Months:

Secured, Considered Good  
Unsecured, Considered Good  
Doubtful

Less: Provision for Bad and Doubtful Debts

Other Receivables:

Secured, Considered Good  
Unsecured, Considered Good  
Doubtful

Less: Provision for Bad and Doubtful Debts

	As at 31st March, 2019	As at 31st March, 2018
	-	-
	19,35,944	5,81,827
	1,37,61,429	1,40,04,122
	1,56,97,373	1,45,85,949
	1,37,61,429	1,40,04,122
	19,35,944	5,81,827
	-	-
	15,46,25,305	12,02,29,590
	-	-
	15,46,25,305	12,02,29,590
	-	-
	15,46,25,305	12,02,29,590
	15,65,61,249	12,08,11,416



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 8: Cash and cash equivalents

	As at 31st March, 2019	As at 31st March, 2018
Cash on hand	61,746	45,003
Banks Balances	7,05,796	4,26,82,212
	<u>7,67,541</u>	<u>4,27,27,215</u>

Note 9: Bank Balance other than Cash and cash equivalents

Fixed Deposit with Bank	32,73,054	19,35,340
	<u>32,73,054</u>	<u>19,35,340</u>

Note 10: Loans

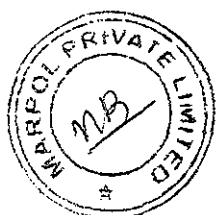
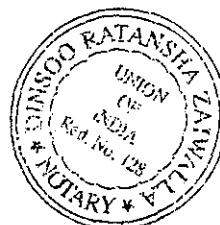
Unsecured and Considered Good  
Security Deposits

	10,97,356	18,56,412
	<u>10,97,356</u>	<u>18,56,412</u>

Note 11: Other Current Assets

Unsecured and Considered Good

Balances with Indirect Tax Authorities	32,46,136	16,85,160
Trade Advances	16,15,133	59,56,113
Prepaid Expenses	19,78,350	19,18,590
Fixed Deposit with Bank (Maturity more than 12 Months)	6,65,151	5,89,045
Other Receivable	13,702	5,660
	<u>75,18,472</u>	<u>1,01,54,567</u>



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 12: Share Capital

	As at 31st March, 2019	As at 31st March, 2018
1. Authorised Share Capital (Rs)	5,00,00,000	5,00,00,000
Par Value per Share (Rs)	10	10
Number of Equity Shares	50,00,000	50,00,000
2. Issued, Subscribed and Fully Paid up (Rs)	2,99,52,000	2,99,52,000
Par Value per Share (Rs)	10	10
Number of Equity Shares	29,95,200	29,95,200
3. Details of Shareholders holding more than 5% of		
	% No of Shares	% No of Shares
Kansai Nerolac Paints Limited	100% 29,95,200	- -
Kamlesh A. Pai Panandiker (HUF)	- -	13.33% 3,99,200
Vishvanath A. Pai Panandiker (HUF)	- -	12.02% 3,60,000
Shambhu A. Pai Panandiker (HUF)	- -	9.01% 2,70,000
Shanu A. Pai Panandiker (HUF)	- -	8.97% 2,68,800
Ramchandra A. Pai Panandiker (HUF)	- -	8.97% 2,68,800
Vishvanath P Panandiker Tdg. & Inv.Co. Pvt. Ltd.	- -	8.65% 2,59,200
Veda P Panandiker Tdg. & Inv. Co. Pvt. Ltd.	- -	8.09% 2,42,400
Shanu P Panandiker Trdg. & Inv. Co. Pvt. Ltd.	- -	6.61% 1,98,000
Ramchandra P Panandiker Tdg. & Inv.Co.Pvt.Ltd.	- -	6.61% 1,98,000
Atmaram P Palondicar Trdg. & Inv. Co. Pvt. Ltd.	- -	6.09% 1,82,400
4. Aggregated number of bonus share issued during the period of five years immediately preceding the reporting date by capitalisation of security premium reserve	Nil	Nil
5. The Company has issued one class of shares, i.e. equity shares, which enjoys similar rights in respect of voting, payment of dividend and repayment of capital. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.		
6. Reconciliation of the number of shares outstanding:		
Number of shares at the beginning of the year	29,95,200	29,95,200
Issued during the year	-	-
Number of shares at the end of the year	29,95,200	29,95,200
7. Capital Management:		
For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the levels of dividends to equity shareholders. The Company is not subject to any externally imposed capital requirements.		



Note 13 – Reserves and Surplus

In Rupees			
	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2017	83,92,356	11,22,41,283	12,06,33,639
Profit for the year	-	(7,48,28,476)	(7,48,28,476)
Balance as at 31st March, 2018	83,92,356	3,74,12,808	4,58,05,164

In Rupees			
	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2018	83,92,356	3,74,12,808	4,58,05,164
Profit for the period	-	1,68,51,928	1,68,51,928
Balance as at 31st March, 2019	83,92,356	5,42,64,735	6,26,57,091



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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Note 14: Borrowings

In Rupees	
As at 31st March, 2019	As at 31st March, 2018
-	10,23,811
-	10,23,811

a. Term Loans From Banks and Financial Institution



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

Note 15: Income Taxes:

In Rupees  
Year ended 31  
March, 2019  
Year ended 31  
March, 2018

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The major components of income tax expense for the year are as under:

(1)	Income tax recognised in the Standalone Statement of Profit and Loss		
	Current tax:		
	In respect of current year	44,00,000	-
	Deferred tax:		
	In respect of current year	(14,75,464)	(2,43,833)
	Income tax expense recognised in the Standalone Statement of Profit and Loss	29,24,536	(2,43,833)
(1)	Income tax expense recognised in OCI		
	Deferred tax expense on remeasurements of defined benefit plans	-	-
	Income tax expense recognised in OCI	-	-
8.	Reconciliation of tax expense and the accounting profit for the year is as under:		
	Profit before tax	1,97,76,464	(7,50,72,379)
	Income tax expense calculated at 34.944%	69,10,688	(2,62,70,828)
	Others	(39,86,152)	2,60,26,995
	Total	29,24,536	(2,43,833)
	Tax expense as per Standalone Statement of Profit and Loss	29,24,536	(2,43,833)

The tax rate used for reconciliation above is the corporate tax rate of 34.944% payable by corporate entities in India on taxable profits under Indian tax law. The company pays tax under Minimum Alternate Tax.

The major components of deferred tax (liabilities) / assets arising on account of timing differences are as follows:

Particulars	Balance Sheet 01.04.2018	Profit and Loss 2018-2019	OCI 2018-2019	Balance Sheet 31.03.2019
Difference between written down value / capital work in progress of Property, Plant and Equipment as per the books of accounts and Income Tax Act, 1961.	16,78,618	(14,75,464)	-	2,03,154
Deferred tax (expense) / Income				
Net Deferred tax liabilities	16,78,618	(14,75,464)	-	2,03,154

Particulars	Balance Sheet 01.04.2017	Profit and Loss 2017-2018	OCI 2017-2018	Balance Sheet 31.03.2018
Difference between written down value / capital work in progress of Property, Plant and Equipment as per the books of accounts and Income Tax Act, 1961.	19,22,501	(2,43,883)	-	16,78,618
Deferred tax (expense) / Income				
Net Deferred tax liabilities	19,22,501	(2,43,883)	-	16,78,618



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 16: Borrowings

	As at 31st March, 2019	As at 31st March, 2018
Short-term Term Loan	-	17,55,108
Working Capital Loan	10,50,05,546	14,68,36,042
	<u>10,50,05,546</u>	<u>14,85,91,150</u>

Note 17: Trade Payables

Trade Payables		
Payables to Micro and Small Enterprises*	-	-
Payables to Others	14,52,29,344	8,37,25,690
	<u>14,52,29,344</u>	<u>8,37,25,690</u>

\*Based on the information and explanation available with management, there are no amounts due to the suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006.

Note 18: Other Financial Liabilities

Trade Deposits	32,94,339	30,94,339
	<u>32,94,339</u>	<u>30,94,339</u>

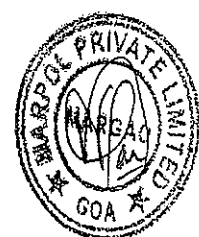
\*There is no amount due and outstanding to be credited to Investor Education and Protection Fund.

Note 19: Other Current Liabilities

Other Statutory Payables	36,38,698	43,52,061
Trade Receivables with Credit Balance	9,94,768	2,12,634
	<u>46,33,466</u>	<u>45,64,695</u>

Note 20: Provisions

Provision for Compensated Absences	7,60,095	10,47,089
Provision for Gratuity	24,90,703	-
	<u>32,50,798</u>	<u>10,47,089</u>



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 21: Revenue from Operations

	Period ended 31st March, 2019	Year ended 31st March, 2018
Sale of Products (including excise duty)		
Sales	68,64,87,186	59,27,85,151
Less: Rebates	-	-
Total Sale of Products	68,64,87,186	59,27,85,151
Other Operating Revenues		
Sale of Scrap	25,06,611	7,26,523
Others	44,492	4,62,234
	25,51,103	11,88,757
Revenue from Operations	68,90,38,289	59,39,73,909

Note 22: Other Income

Dividend Income		
Dividend from Investment	-	15,000
		15,000
Interest Income		
Interest on Loans and Deposit	1,95,170	2,46,293
	1,95,170	2,46,293
Other Non operating Income		
Profit on Sale of Property, Plant and Equipment	-	5,13,775
Foreign Exchange Gain (Net)	-	19,28,156
Insurance Claims Received	2,68,005	-
	2,68,005	24,41,931
	4,63,175	27,03,223





MARPOL PRIVATE LIMITED.  
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 23: Cost of Materials Consumed

	Period ended 31st March, 2019	Year ended 31st March, 2018
Raw Material Consumed		
Opening Stock	3,56,23,098	3,20,62,461
Add: Purchase	51,19,51,705	37,92,61,524
Less: Sales	-	-
Less: Closing Stock	5,21,87,161	3,56,23,078
	49,53,87,642	37,57,00,908
Packing Material Consumed		
Opening Stock	5,45,346	9,94,808
Add: Purchase	1,60,78,403	1,41,21,249
Less: Closing Stock	13,61,189	5,45,346
	1,52,62,560	1,45,70,711
	51,06,50,202	39,02,71,619

Note 24: Changes in Inventories of Finished Goods,  
Stock-in-trade and Work-in-progress

Opening Stock		
Finished Goods	2,36,03,672	3,45,61,584
Work-in-progress	1,22,16,234	1,62,77,894
	3,58,19,906	5,08,39,478
Less: Closing Stock		
Finished Goods	4,03,24,577	2,36,03,652
Work-in-progress	87,57,553	1,22,16,234
	4,90,82,130	3,58,19,886
Add: Excise Duty Related to the Difference between the Closing Stock and Opening Stock of Finished Goods	-	(5,62,397)
	(1,32,62,224)	1,44,57,195



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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In Rupees

Note 25: Employee Benefits Expense

	Period ended 31st March, 2019	Year ended 31st March, 2018
Salaries and Wages	4,05,59,612	5,19,45,372
Contribution to Provident and Other Funds	56,69,164	45,48,084
Staff Welfare Expense	26,73,167	40,87,596
	<u>4,89,01,943</u>	<u>6,05,81,052</u>

Note 26: Depreciation and Amortisation

Depreciation on Property, Plant and Equipment	98,51,952	1,00,78,367
Amortisation on Other Intangible Assets	1,90,069	3,80,138
	<u>1,00,42,021</u>	<u>1,04,58,504</u>

Note 27: Other Expenses

Consumption of Stores and Spare Parts	1,63,20,926	2,20,21,905
Power and Fuel	2,88,26,058	2,37,11,848
Repairs to Buildings	1,63,073	4,89,898
Repairs to Machinery	49,60,524	46,03,158
Freight and Forwarding Charges	2,38,81,351	2,05,59,148
Advertisement and Sales Promotion	2,18,602	3,70,712
Rent	16,90,494	54,94,880
Insurance	7,47,722	11,67,927
Miscellaneous Expenses	2,70,73,077	4,24,03,222
	<u>10,38,81,825</u>	<u>12,08,22,697</u>



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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₹ in Crores

	Year Ended 31st March, 2019	Year Ended 31st March, 2018
<b>Note 31.1: Payments to Auditors'</b>		
Auditors' Remuneration excluding Service Tax/GST (Included in Miscellaneous Expenses in Note 31)		
As Auditor		
Statutory Audit	459233.00	459233.00
Report under Section 44AB of the Income-tax Act, 1961		
Limited Review of Quarterly Results		
In other capacity		
Certification	32700.00	
Other Matters		
Reimbursements of Expenses		
	4,91,933.00	459233.00

**Note 31.2: Research and Development Expenses**

Revenue Expenditure on Research and Development  
recognised in Standalone Statement of Profit and Loss is

nil



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

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₹ in Crores

Note 32: Contingent Liabilities and commitments  
(to the extent not provided for)

Year ended  
31st March,  
2019

Year ended  
31st March,  
2018

Claims against the Company not acknowledged as debt:

Sales Tax & Income Tax

8736975

8736975

The Company has made adequate provisions in the accounts for claims against the Company related to direct and indirect taxes matters, except for certain claims not acknowledged as debts,

Sales Tax

Amount totalling to Rs. 59,66,949/- from the Sales Tax Authorities, a demand of sales tax for non-submission of Form 'C' for the year 2004-05.

Income Tax

Amount totalling to Rs. 27,70,026/- from the Income Tax Authorities, a demand notice for assessment year 2003-2004 Rs. 14,57,756/- and 2010-11 Rs. 13,12,270/-

The Company's management is of the opinion that ultimate liability in respect of these litigations shall not exceed the amount provided in books of account, and shall not have any material adverse effect on the Company's operation and financial position.

2750923.00

Excise

Appeal No. E/115/2011 and E/579/2011 Against  
OIA No. GOA/CEX/GSK/113 & 114 Dt.30.11.10 --  
Excise duty difference of Himachal Pradesh Baddi

Corporate guarantee

Corporate guarantee given to Bank – Bank  
Guarantee & letter of Credit

15752418.00

8782863.00

27240316.00

17519838.00

Note 33: Earnings Per Equity Share

Numerator:

Profit attributable to Equity Shareholders (₹ in Crores)

1,68,51,928

(7,48,28,496)

Denominator:

Weighted Average Number of ordinary shares at  
the beginning and end of the year

29,95,200.00

29,95,200.00

Basic and Diluted Earnings per Equity Share (in ₹)

5.63

(24.98)



**MAKPOL PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**Note 34: Related Party Disclosures**

A related party is a person or entity that is related to the entity that is preparing its financial statements.

- (a) A person or a close member of that person's family is related to a reporting entity if that person:  
 (i) has control or joint control of the reporting entity;  
 (ii) has significant influence over the reporting entity; or  
 (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).  
 (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).  
 (iii) Both entities are joint ventures of the same third party.  
 (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.  
 (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.  
 (vi) The entity is controlled or jointly controlled by a person identified in (a).  
 (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).  
 (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Parent and ultimate controlling entity

Name	% Shareholding		Type	Principal Activities	Place of Incorporation
	2019	2018			
Kansai Paints Co. Ltd., Japan			Ultimate controlling Authority	Manufacturing Paints	Japan
Kansai Nerolac Paints Ltd.	100	0	Parent	Manufacturing Paints	India

Kansai Paints Co., Ltd. is the immediate and ultimate holding company of Kansai Nerolac Paints Ltd. and is based and listed in Japan. Financial Statements of Kansai Paints Co., Ltd. are available in public domain.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity. Key management personnel includes (1) Mr. P. D. Pal, Director (2) Mr. C. T. Govindarajan, Director, and (3) Rohit Pal Pandey, Director.

**Related Party Transactions:**

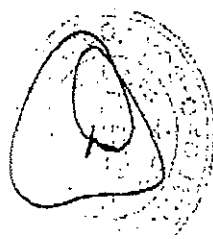
Transaction Type	Relation	Amount in ₹	
		2019	2018
Sale of finished goods/Intermediates -Kansai Nerolac Paints Ltd.	Parent entity	6,03,09,941.00	-
Purchase of Goods -Kansai Nerolac Paints Ltd.	Parent entity	4,81,45,325.00	-

**Related Party Transactions:**

Transaction Type	Relation	Amount in ₹	
		2019	2018
Receivable as at Year End Kansai Nerolac Paints Ltd.	Parent entity	62,38,265.00	-
Payable as at Year End Kansai Nerolac Paints Ltd.	Parent entity	4,85,54,648.00	-
Key Management Personnel (a) short-term employee benefits		24,09,120.00	-

**Related Party Transactions:**

Related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.



**Note 36: Segment Reporting**

The Management Committee of the Company, approved by the Board of Directors and Audit Committee performs the function of allotment of resources and assessment of performance of the Company. Considering the level of activities performed, frequency of their meetings and level of finality of their decisions, the Company has identified that Chief Operating Decision Maker function is being performed by the Management Committee. The financial information presented to the Management Committee in the context of results and for the purposes of approving the annual operating plan is on a consolidated basis for various products of the Company. As the Company's business activity falls within a single business segment viz. 'Paints' and the sales substantially being in the domestic market, the financial statement are reflective of the information required by Ind AS 108 "Operating Segments".

**Note 37: Corporate Social Responsibilities**

During the year, the Company has spent Nil (2017-2018 Nil) towards 'Corporate Social Responsibility Activities' (CSR Activities).

- (a) Gross amount required to be spent by the Company during the year Nil.
- (b) Amount spent during the year on:

		₹ in Crores		
		In Cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above			



Note 38: Financial Instruments: Fair values and Risk Management

(A) Accounting Classifications and Fair Values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

	Year	At FVTPL	Other financial assets / liabilities - Amortised cost	Level 1	Level 2	Level 3	Total
<b>Financial Assets measured at Fair Value</b>							
Non-current Assets: Investments (Note 5)	2019	-	1,62,016.00				1,62,016.00
	2018	-	20,55,247.00				20,55,247.00
Current Assets: Investments (Note 4)	2019	-	-				-
	2018	-	5,00,000.00				5,00,000.00
<b>Financial Assets not measured at Fair Value</b>							
Non-current Assets: Other Financial Assets (Note 6)	2019	-	12,69,39,564.00				12,69,39,564.00
	2018	-	8,86,33,753.00				8,86,33,753.00
Current Assets: Trade Receivables (Note 7)	2019	-	15,65,61,249.00				15,65,61,249.00
	2018	-	12,08,11,416.00				12,08,11,416.00
Current Assets: Cash and Cash Equivalent (Note 8)	2019	-	7,67,541.00				7,67,541.00
	2018	-	4,27,27,215.00				4,27,27,215.00
Current Assets: Bank Balances other than Cash	2019	-	32,73,054.00				32,73,054.00
	2018	-	19,35,340.00				19,35,340.00
Current Assets: Loans (Note 10)	2019	-	10,97,356.00				10,97,356.00
	2018	-	18,56,412.00				18,56,412.00
Current Assets: Other Financial Assets (Note 11)	2019	-	75,18,472.00				75,18,472.00
	2018	-	1,01,54,567.00				1,01,54,567.00
<b>Financial Liabilities not measured at Fair Value</b>							
Non-current Liabilities: Borrowings (Note 16)	2019	-	10,50,05,546.00				10,50,05,546.00
	2018	-	14,85,91,150.00				14,85,91,150.00
Current Liabilities: Trade Payable (Note 17)	2019	-	14,52,29,344.00				14,52,29,344.00
	2018	-	8,37,25,690.00				8,37,25,690.00
Current Liabilities: Other Financial Liabilities (Note 18)	2019	-	32,94,339.00				32,94,339.00
	2018	-	30,94,339.00				30,94,339.00



MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

Note 38: Financial Instruments: Fair values and Risk Management (contd.)

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(B) Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

(i) Risk Management Framework

Risk Management Committee oversees the management of these risks. Management is supported by Risk Management Committee that advises or financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the management that Company's risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Company's Risk Management Policies are established to identify and analyses the risks faced by the Company to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk Management Policies and Systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(ii) Credit Risk

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, loans and investments in debt securities. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade Receivables and Loans:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes financial statements, credit agency information, industry information and in some cases bank references. Sales limits are established for each customer and reviewed constantly. Any sales exceeding those limits require approval from the management.

Financial Instruments and Cash Deposits

Credit risks from balances with banks and financial institutions is managed by the Company's Treasury Department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturities of Financial Liabilities:

The table below analyses the Company's financial liabilities into relevant maturing grouping based on their contractual maturities:

₹ in Crores								
	Year ended	On demand	Upto 3 months	3 months to 6 months	6 months to 1 year	1 year to 2 years	3 years and above	Total
Borrowings	31-03-2019	10,50,05,546.00						10,50,05,546.00
	31-03-2018	14,85,91,150.00						14,85,91,150.00
Trade Payables	31-03-2019		14,52,29,344.00					14,52,29,344.00
	31-03-2018		8,37,25,690.00					8,37,25,690.00
Other Financial Liabilities	31-03-2019						32,94,339.00	32,94,339.00
	31-03-2018						30,94,339.00	30,94,339.00

(iv) 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 price comprises three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. In respect of monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level.





MARPOL PRIVATE LIMITED  
NOTES TO THE FINANCIAL STATEMENTS

Note 38: Financial Instruments: Fair values and Risk Management (contd.)

(iv) Market Risk (contd.)

Exposure to Currency Risk:

The summary quantitative data about the Company's exposure to currency risk is as follows:

		Amount in ₹							
Financial Assets		CHF	EURO	JPY	SGD	GBP	ZAR	USD	INR
Trade	31-03-2019							15,92,669.00	15,49,68,180.00
Receivables	31-03-2018								12,08,11,416.00
Trade	31-03-2019								16,15,133.00
Advances	31-03-2018								59,56,113.00
Financial Liabilities									
Trade	31-03-2019	6,89,322.00						84,03,222.00	13,61,35,800.00
Payables	31-03-2018	26,09,750.00						58,35,513.00	7,52,80,427.00
Net exposure to Foreign	31-03-2019	(6,89,322.00)						(68,10,553.00)	7,04,45,913.00
Currency Risk (Liabilities)	31-03-2018	(26,09,750.00)						(58,35,513.00)	5,14,87,102.00
									4,30,41,839.00

(v) Foreign Currency Sensitivity Analysis

The following table demonstrate the sensitivity to a reasonable possible change in CHF, EURO, JPY and USD exchange rates, with all other variable held constant.

	Profit or Loss		Equity net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March, 2019				
CHF (5% movement)				
EURO (5% movement)				
JPY (5% movement)				
SGD (5% movement)				
USD (5% movement)				
31st March, 2018				
CHF (5% movement)				
EURO (5% movement)				
JPY (5% movement)				
USD (5% movement)				

(C) Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Other Non-current assets: Investment measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.	- Forecast Annual revenue growth - Forecast EBITDA growth margin - Risk adjustment discounted rate	Generally, a changes in the annual revenue growth rate is accompanied similar change in EBITDA margin.
Current Investments - in mutual funds	The fair values of Investments in mutual fund units is based on the net asset value (NAV) as stated by the Issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which Issuers will redeem such units from the Investors	Not applicable	Not applicable

The Company determined the fair value measurements of Investments -unquoted categorised in Level 2 based on price agreed in a sale transaction between unrelated parties.

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payables as at 31st March, 2019 and 31st March, 2018 approximate the fair value. Difference between carrying amounts and fair values of bank deposits, earmarked balances with banks, other financial assets, other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

As per our Report of even date  
For Ganesh Dalvaia & Co.

For and on behalf of the Board

Chartered Accountants

Firm Reg No. 103054W

Naveen G. Dalvaia  
Partner  
M. No. 126231

Place : Margao , Goa  
Date : 26th April 2019

Rohit Pal Panandiker  
Director  
DIN - 00559055

Place : Margao , Goa  
Date : 26th April 2019

G.T. Govindarajan  
Director  
DIN - 08105268

P.D. Pai  
Director  
DIN - 08115481



MARPOL PRIVATE LIMITED  
UNAUDITED BALANCE SHEET AS AT 30TH SEPTEMBER, 2019

ANNEXURE "B-2"

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	As at 30th September 2019	As at 31st March 2019
<b>ASSETS</b>		
Non-current Assets		
Property, Plant and Equipment	639,17,902	408,56,876
Capital Work-in-progress	342,36,572	162,53,206
Other Intangible Assets	7,01,370	7,96,405
	988,55,844	579,06,487
Current Tax Assets (Net)	7,18,927	1,62,016
<b>Total Non-current Assets</b>	<b>995,74,771</b>	<b>580,68,503</b>
Current Assets		
Inventories	1359,89,951	1269,39,564
Financial Assets:		
Trade Receivables	1614,37,377	1565,61,249
Cash and Cash Equivalents	4,56,396	7,67,541
Bank Balances other than Cash and Cash Equivalents	-	32,73,054
Loans	8,61,305	10,97,356
	1627,55,079	1616,99,201
Other Current Assets	34,44,234	75,18,472
<b>Total Current Assets</b>	<b>3021,89,264</b>	<b>2961,57,236</b>
<b>Total Assets</b>	<b>4017,64,034</b>	<b>3542,25,739</b>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Equity Share Capital	299,52,000	299,52,000
Reserves and Surplus	774,10,294	626,57,091
<b>Total Equity</b>	<b>1073,62,294</b>	<b>926,09,091</b>
Liabilities		
Non-current Liabilities		
Deferred Tax Liabilities (Net)	2,59,244	2,03,154
<b>Total Non-current Liabilities</b>	<b>2,59,244</b>	<b>2,03,154</b>
Current Liabilities		
Financial Liabilities:		
Borrowings	1258,68,609	1050,05,546
Trade Payables	1596,40,412	1452,29,344
Other Financial Liabilities	31,94,340	32,94,339
	2887,03,361	2535,29,230
Other Current Liabilities	19,20,510	46,33,466
Provisions	35,18,625	32,50,798
<b>Total Current Liabilities</b>	<b>2941,42,496</b>	<b>2614,13,494</b>
<b>Total Liabilities</b>	<b>2944,01,740</b>	<b>2616,16,648</b>
<b>Total Equity and Liabilities</b>	<b>4017,64,034</b>	<b>3542,25,739</b>

For Marpol Private Limited

*P. D. Pai*

P. D. Pai  
Director



Certified True Copy  
For MARPOL PRIVATE LIMITED

*P. D. Pai*  
Director



MARPOL PRIVATE LIMITED  
UNAUDITED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM 1ST APRIL, 2019 TO 30TH SEPTEMBER, 2019

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In Rupees

	1st April, 2019 to 30th September, 2019	Year ended 31st March, 2019
<b>Income</b>		
Revenue from Operations	3230,02,862	6890,38,289
Other Income	29,767	4,63,175
<b>Total Income</b>	<b>3230,32,629</b>	<b>6895,01,463</b>
<b>Expenses</b>		
Cost of Materials Consumed	2123,27,609	5106,50,202
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	92,92,846	(132,62,224)
Employee Benefits Expense	205,78,972	489,01,943
Finance Costs	54,87,826	95,11,242
Depreciation and Amortisation Expenses	48,06,551	100,42,011
Other Expenses	522,28,951	1038,81,825
<b>Total Expenses</b>	<b>3047,22,756</b>	<b>6697,25,000</b>
<b>Profit Before Tax</b>	<b>183,09,873</b>	<b>197,76,464</b>
<b>Tax Expense</b>		
Current Tax	35,00,000	44,00,000.00
Deferred Tax	56,089	(14,75,464)
<b>Total Tax Expense</b>	<b>35,56,089</b>	<b>29,24,536</b>
<b>Profit for the Period</b>	<b>147,53,784</b>	<b>168,51,928</b>
<b>Earnings per Share:</b>		
Basic and Diluted	4.93	5.63

For Marpol Private Limited

P. D. Pai  
Director



Certified True Copy  
For MARPOL PRIVATE LIMITED

*[Signature]*  
Director





ANNEXURE - "C"

**Marpol Pvt. Ltd.**

(AN ISO 9001:2015 COMPANY)

Panandiker Chambers, 1st Floor,

M.L. Furtado Road, P.O. No. 700,

Margao Goa -403601 India

Tel:0832-2713055,2713056, Fax -2733124

Email: [info@marpolind.com](mailto:info@marpolind.com) Website: <http://www.marpolind.com>



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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF  
THE COMPANY AT ITS MEETING HELD ON 25TH JULY, 2019 HELD AT THE REGISTERED  
OFFICE OF THE COMPANY SITUATED AT 1ST FLOOR, PANANDIKER CHAMBERS, M.L.  
FURTADO ROAD, MARGAO, GOA - 403601.

Resolved that the Board accord its consent to the Scheme of Amalgamation for the merger of the Company and Perma Construction Aids Private Limited with Kansai Nerolac Paints Limited, its Holding Company, and undertaking the process of the aforesaid process of merger.

Further Resolved that Mr. Prashant Pai, Director and Mr. G.T. Govindarajan, Director of the Company be and are authorized, jointly and severally, to sign such applications and documents, make the necessary filings with the authorities and to do all such acts, deeds, matters and things as may be required, in regard to the process of merger of the Company with Kansai Nerolac Paints Limited.

FOR MARPOL PRIVATE LIMITED

Prashant Pai

Director

DIN : 08115481



ANNEXURE "D"



**SCHEME OF AMALGAMATION OF**  
**MARPOL PRIVATE LIMITED AND**  
**PERMA CONSTRUCTION AIDS PRIVATE LIMITED**  
**WITH**  
**KANSAI NEROLAC PAINTS LIMITED**  
**AND THEIR RESPECTIVE SHAREHOLDERS**  
  
(Under Sections 230 to 232 and other applicable  
provisions of the Companies Act, 2013)

**PREAMBLE**

This Scheme of Amalgamation provides for the amalgamation of Marpol Private Limited (**Marpol**), a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Panandiker Chambers, 1st Floor, M.L. Furtado Road, Margao, Goa – 403601 and Perma Construction Aids Private Limited (**Perma**) incorporated under the provisions of the Companies Act, 1956 having its registered office at Unit-II Plot No. 3102, GIDC Sarigam, Valsad, Gujarat- 396155 with Kansai Nerolac Paints Limited (**Nerolac**), a company incorporated under the provisions of the Indian Companies Act, 1913 having its registered office at Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013, Maharashtra, pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013.

- (a) Marpol was incorporated on 5<sup>th</sup> April 1983 under the name of Marpol Chemicals Private Limited and registered with the Registrar of Companies, Goa, Daman & Diu, Panaji, as a Private Limited Company. Thereafter on 6<sup>th</sup> November 2001 its name was changed to its present name and a fresh Certificate of Incorporation was issued by the Registrar of Companies Goa, Daman & Diu, Panaji consequent upon change of name. Marpol's registered office is situated at Panandiker Chambers, 1st Floor, M.L. Furtado Road, Margao, Goa - 403601. The Corporate Identification Number of Marpol is U24222GA1983PTC000532. The

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**FOR MARPOL PRIVATE LIMITED**

*[Signature]*  
**Director**

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PAN of Marpol is AACCM2018D. The e-mail address of Marpol is marpol@marpolind.com. Marpol has not changed its name or objects during the last five years.

The main object of Marpol as specified under the heading A- Main Object of the Company to be pursued by the Company on its incorporation under Clause III (A) of the Memorandum of Association of the Company is as under:

- 1) To manufacture, mix, buy, sell, refine, prepare, import, export and carry on the business in Alkyd Resins, Acrylic Resins, Polyester Resins, Polyurethane, Silicone, Fluoropolymer, Polycarbonate, Isocyanate Alkyds, Power coating Paints, Epoxies, Acrylics, epoxy Polyester Paints, electrophoretic paints, highsolid coating, water bourne coatings, water reducible coatings and non-aqueous dispersions.
- 2) To buy, manufacture, mix, self-refine, prepare, import, export and to carry on any business in minerals, methylated and rectified spirits, dry or other colours, raw materials, pigments, dyes, paints, synthetic paints and thinners, coloured or other cements, varnishes, synthetic resins, enamels, lacquers, distempers, disinfectants, oil, wood preservative, fruit or vegetable or other preservatives, printings and marking inks, polishes, crayons, powers, electroplating, abrasive and its chemicals, she dressing, greases, vasilines, creams, glue, gelatin, and other glue preparations.
- 3) To refine, sell, mix, prepare for market, import, export and manufacture, prepare and extract, all kinds of turpentine including Canada turpentine from fine larchfir, pistachio and other trees and to prepare various oils, chemicals, drugs and different other products from the same.
- 4) To manufacture, produce, refine, process, formulate, buy, sell, export, import or otherwise deal in all types of heavy and light chemical elements and compounds, including without limiting the generality of the foregoing, laboratory, and scientific chemicals. If any nature used or capable of being used in the paint industry, agricultural chemicals, fertilisers, petro-chemicals, industrial chemicals or any mixtures, derivatives and compounds thereof and



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its deal in all types of chemicals, pharmaceuticals and biological preparations, drugs, vaccines, injections, acids, alcohols, wine or wine syrups, cordials, mineral waters, liquors, soaps, restorative tonics, antiseptic, antiseptic cotton and dressing and other allied products any by-products thereof.

- 5) To carry on the business as manufacturers and dealers in pharmaceutical, medical, chemical, industrial and other preparative and articles, compounds, oils, paints, pigments and varnishes, drugs, dyeware and dealers in proprietary articles of all kinds of electrical, chemicals, photographic, surgical and scientific apparatus and materials.

Marpol is principally engaged in manufacture of powder coatings.

The Authorised, Issued, Subscribed and Paid-up Share Capital of Marpol as on the Appointed Date was as under:

**Authorised Share Capital:**

50,00,000 Equity Shares of Rs.10 each                      Rs. 5,00,00,000

**Issued, Subscribed and Paid-up Share Capital:**

29,95,200 Equity Shares of Rs.10 each                      Rs. 2,99,52,000

There was no change in the Issued, Subscribed and Paid-up Share Capital of Marpol after the Appointed Date (as defined hereinafter). The entire paid -up share capital of Marpol is held by Nerolac.

Following are the Directors of Marpol as on the Appointed Date:

Sr. No.	Name of the Director	DIN	Address
1.	Mr. Rohit Ramchandra Pai Panandiker	00559055	H. No: 262, Minguel Loyola Furtado Road, Margoa 403601, Goa
2.	Mr. Prashant Devidas Pai	08115481	A/206, Vrindavan, V M Ghanekar Road Vile Parle East Mumbai 400057, Maharashtra



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3.	Mr. G.T. Govindarajan	08105268	F-203, Lloyds Estate, V.I.T. College Marg, Wadala East, Mumbai, 400037, Maharashtra
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- (b) Perma Construction Aids Private Limited (**Perma**) was incorporated on 11<sup>th</sup> April 1997 and registered with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli as a Private Company and has its registered office at Unit-II Plot No.3102, GIDC Sarigam Valsad Gujarat- 396155. The Corporate Identification Number of Perma is U45201GJ1997PTC032104. The PAN of Perma is AABCP4353K. The email address of Perma is info@permaindia.com. Perma has not changed its name or objects during the last five years.

The main objects of Perma as specified under the heading A- Main Object of the Company to be pursued by the Company on its incorporation under Clause III (A) of the Memorandum of Association of the Company are as under:

- 1) To carry on the business of processing, converting, producing, manufacturing, formulating, using, buying, acquiring, storing, packing, selling, marketing, transporting, importing, exporting and disposing of chemicals including, integral water proofing compounds of concrete and mortar, crystalline based water proof coatings for concrete structures, elastomeric water proof coatings, plasticizers, non shrink grouts for machine foundation, repair, compounds based on acrylic and styrene butadiene rubber, water repellent coatings, polymer tile fixing adhesives epoxy floor toppings and coatings, polyurethane toppings and coatings and ancillary chemicals and compounds, on our behalf and on behalf of others, contracting for jobs applying above items, construction chemicals and chemical products of any nature and kind whatsoever and all allied and auxiliary products, derivatives, formulations, processes, bye-products and joint-products, construction activity, resins for fibre glass industry bitumen emulsion.

Perma is principally engaged in the business of construction chemicals.





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The Authorised, Issued, Subscribed and Paid-up Share Capital of Perma as on the Appointed Date was as under:

**Authorised Share Capital:**

15,00,000 Equity Shares of Rs.10 each                      Rs. 1,50,00,000

**Issued, Subscribed and Paid-up Share Capital:**

9,90,000 Equity Shares of Rs. 10 each                      Rs. 99,00,000

There was no change in the Issued, Subscribed and Paid-up Share Capital of Perma after the Appointed Date. The entire paid up share capital of Perma is held by Nerolac.

Following are the Directors of Perma as on the Appointed Date:

Sr. No.	Name of the Director	DIN	Address
1.	Mr. Charles Jeyasingh Augustine	00350686	F-103, Prithvi Classic, Modi Park, Iraniwadi, Road No-3 Mumbai, Kandivali West, Mumbai 400067, Maharashtra
2.	Mr. Mohammad Abdul Waheed	00352600	6-B/702, Neelam Nagar, 90 Feet Road, Mumbai Mulund East, Mumbai-400081, Maharashtra
3.	Mr. Anuj Jain	08091524	B - 207, Nestle 1, P. B. Marg Lower Parel Mumbai 400013, Maharashtra
4.	Mr. Prashant Devidas Pai	08115481	A/206, Vrindavan, V M Ghanekar Road Vile Parle East Mumbai 400057 Maharashtra

- (c) Kansai Nerolac Paints Limited (Nerolac) was incorporated on 2nd September 1920 under the Indian Companies Act, 1913 under the name of The Gahagan Paint & Varnish Company Limited. Thereafter on 18th



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April, 1933, its name was changed to Goodlass Wall (India) Private Limited and a Certificate of change of name was issued by the Registrar of Companies, Bombay. Thereafter on 9th February, 1946, its name was once again changed to Goodlass Wall Private Limited and a Certificate of change of name was issued by the Registrar of Companies, Bombay. Thereafter on 12th February, 1958, its name was once again changed to Goodlass Nerolac Paints Limited and a Certificate of change of name was issued by the Registrar of Companies, Bombay. Thereafter on 11th July, 2006, its name was changed to its present name and a fresh Certificate of Incorporation was issued by the Registrar of Companies, Maharashtra, Mumbai consequent upon change of name. Nerolac is a Public Limited Company listed on BSE Limited and National Stock Exchange of India Ltd., and having its Registered Office at Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai, 400013, Maharashtra. The Corporate Identification Number of Nerolac is L24202MH1920PLC000825. The PAN of Nerolac is AAACG1376N. The email address of Nerolac is gtvindarajan@nerolac.com. Nerolac has not changed its name or objects during the last five years.

The main objects of Nerolac as specified under the heading A- Main Object of the Company to be pursued by the Company on its incorporation under Clause III of the Memorandum of Association of the Company are as under:

- (a) To acquire and take over as a going concern the business now carried on at Naigaum, Mumbai, under the style or firm of American Paint & Varinsh Co., and all or any of the assets and liabilities of the proprietor of that business in connection therewith and with a view thereto to enter into an Agreement with A.T. Mirza in the terms of the draft a copy whereof has for the purpose of identification been subscribed by F.E. Dinshaw, an Attorney of the Bombay High Court, and to carry the same into effect with or without modification.
- (b) To manufacture white lead, red lead, litharge, orange mineral, linseed oil and to purchase and sell the same, to manufacture, buy and sell paints, varnishes, oils, colours, enamels, mortar and cement, stains and coatings, water-proof coatings and compound,



dyes, glue, putty, chemicals for making colour, paint brushes and other supplies for painters.

- (c) To buy, sell, import, export, manipulate, prepare for market and deal in merchandise of all kinds and generally to carry on business as merchants, importers and exporters.
- (c1) To carry on the business of manufacturing and selling of pigments, Pigment Emulsions, Dispersions, Binder Materials, Thickners, Chemicals, Dyes and Manures.
- (c2) To carry on all or any of the business of metal founders, workers, converters and merchants, miners, smelters, metallurgists, mechanical electrical and general engineers, planters, farmers, graziers, stockmen, dairymen, ship and other vessel owners, charterers and builders, ship-brokers, managers of shipping property, shippers, bargemen, lightermen, carriers by sea and land, railway and forwarding agents, bonded and common carmen, freight contractors, insurance brokers, provision merchants and preservers, ice merchants, refrigerating storekeepers, warehouseman, wharfingers, dock owners and commission merchants, and any other trade or business whatsoever which can in the opinion of the Company by advantageously or conveniently carried on by the Company by way of extension of or in connection with any such business as aforesaid, or is calculated directly or indirectly to develop any branch of the Company's business or to increase the value of or turn to account any of the Company's Assets, property or rights.
- (c3) To carry on business as manufacturers of, and dealers in, chemical, biochemical, industrial and other preparations and articles, dyes, chemicals, acids, alkalies, colours, glues, gums, pasters, organic or mineral intermediates, compositions, paint and colour grinders, preparatory articles of all kinds, laboratory reagents, and to carry on the business of chemists and oil and colourmen.
- (c4) To carry on business as manufacturers, producers, refiners, importers and exporters of, and dealers in, copra, cottonseed, linseed, castor seed, groundnuts and seeds of all kinds and oil bearing substances whatsoever and oils and oil cakes manufactured



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therefrom, and to carry on business as oil brokers, oil blenders, boilers, refiners, distillers, separators, waste oil dealers and as dry salters, tallow merchants and soap and candle makers.

- (c5) To carry on business as financial, monetary and commercial agents and advisers and to undertake, carry on and execute all kinds of financial, commercial, trading and other operations; which are incidental to the main objects of the Company and to carry on and transact every kind of guarantee and indemnity business, and to undertake and execute trusts of all kinds and to promote, finance or otherwise assist any company or other persons as Directors may think fit.
- (c6) To manufacture, prepare for market, revise, clean, restore, recondition, treat and otherwise manipulate and deal in and turn to account by any process or means whatsoever all by products, refuse, wastes and other products capable of being manufactured or produced out of or with the use of all or any raw materials, ingredients, substances or commodities used in the manufacture of all or any of the products which the Company is entitled to manufacture or deal in and to make such other use of the same as may be thought fit.
- (c7) To manufacture and deal in, all types of containers, receptacles, boxes, cartons, cages, bins, tubes, crates, packing cases, cans, ball strapping systems and bags and fittings therefor, of every kind for holding, keeping, storing, shipping and handling the products which the Company is entitled to manufacture or deal in or any of them.
- (d) To carry on any other business whether manufacturing or otherwise which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's profits or rights.
- (e) To acquire and deal with the property following:
  - 1. The business, property and liabilities of any company, firm or person carrying on any business within the objects of the Company.



2. Lands, buildings, easements, and other interest in real estate.
  3. Plant, machinery, personal estate and effects.
  4. Patents, patent rights or inventions, copy rights, designs, trademarks or secret processes.
  5. Shares or stock or securities in or of any company or undertaking the acquisition of which may promote or advance the interests of this Company.
- (f) To perform or do all or any of the following operations, acts or things:
1. To pay all the costs, charges and expenses of the promotion and establishment of the Company.
  2. To sell, let, dispose off or grant rights over all or any property of the Company.
  3. To erect buildings, plant and machinery for the purposes of the Company.
  4. To make experiments in connection with any business of the Company and to protect any inventions of the Company by letters patent or otherwise.
  5. To grant licenses, to use patents, copyrights, designs, or secret processes of the Company.
  6. To manufacture plant and machinery, tools, goods and things for any of the purposes of the business of the Company.
  7. To draw, accept and negotiate bills of exchange, promissory notes and other negotiable instruments.
  8. To underwrite the shares, stock or securities of any other company and to pay underwriting commissions and brokerage on the any shares, stocks or securities issued by this Company.



9. To borrow money or to receive money on deposit either without security or secured by debentures, debenture stock (perpetual or terminable), mortgage, or other security charged on the undertaking or all or any of the assets of the Company, including uncalled capital.
10. To lend or deposit money, securities and property on any terms that may be thought fit, and particularly to customers or other persons or corporations having dealings with the Company and to give any guarantees that may be deemed expedient and transact all kinds of trust and agency business and to invest any moneys of the Company not required for the purposes of its business in such investments or securities as may be thought expedient.
11. To amalgamate with any other Company or companies and to enter into any partnership or arrangement in the nature of a partnership co-operation or union of interests, with any person or persons or corporation engaged or interested or about to become engaged or interested in the carrying on or conduct of any business or enterprise which this Company is authorized to carry on or conduct or from which this company would or might derive any benefit whether direct or indirect.
12. To promote Companies.
13. To sell the undertaking and all or any of the property of the Company for cash, or for stock, shares or securities of any other company, or for other consideration.
14. To provide for the welfare of persons employed or formerly employed by the Company, or any predecessors in business of the company, and the wives, widows and families of such persons by grants of money or other aid or otherwise as the Company shall think fit.
15. To subscribe to or otherwise aid, benevolent, charitable, national or other institutions, or objects of a public charter or which have any moral or other claims to support or aid



by the Company by reason of the locality or its operations or otherwise.

16. To distribute in specie assets of the Company properly distributable amongst its members.
  17. To refer or agree to refer any claim, demand, dispute or question whatsoever, by or against the Company, or in which the Company is interested or concerned, whether directly or indirectly, and whether between the Company and a member or members or his, or their representatives, or between the Company and any third party, to arbitration in India or at any place outside India and to observe perform and to do all acts, deeds, matters and things usual, necessary, proper or expedient to carry out or enforce the award.
- (g) To do all or any of the things hereinbefore authorized either alone, or in conjunction with, or as factors, trustees, or agents for others, or by or through factors, trustees or agents.
- (h) To do all such other things as are incidental or conducive to the attainment of the above objects, or any of them.

Nerolac is principally engaged in the manufacturing of paints.

The Authorised, Issued, Subscribed and Paid-up Share Capital of Nerolac as on the Appointed date was as under:

**Authorised Share Capital:**

60,00,00,000 Equity Shares of Re. 1 each	Rs. 60,00,00,000
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**Issued, Subscribed and Paid-up Share Capital:**

53,89,19,720 Equity Shares of Re. 1 each	Rs. 53,89,19,720
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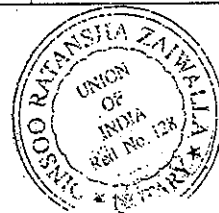
There was no change in the Issued, Subscribed and Paid-up Share Capital of Nerolac after the Appointed Date.

Following were the Directors of Nerolac as on the Appointed Date:



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Sr. No.	Name of the Director	DIN	Address
1.	Mr. Pradip Panalal Shah	00066242	72A Embassy Apartments, 7th Floor, Napean Sea Road, Mumbai 400006, Maharashtra.
2.	Mr. Harishchandra Meghraj Bharuka	00306084	A-11. Twin Towers Premises CHS Ltd, Off Veer Savarkar Marg, Prabhadevi, Mumbai-400025 Maharashtra.
3.	Mr. Noel Naval Tata	00024713	55 Windmere, 5 <sup>th</sup> Floor, Cuffe Parade, Colaba, Mumbai-400005, Maharashtra.
4.	Mr. Masaru Tanaka	06566867	2-26-1-721, Nishi Okamoto, Higasinada - Ku, Hyogo Prefecture, Kobe City 6580073 Japan.
5.	Mr. Hidenori Furukawa	06924589	Deer Court Tachibana 305, 22-15,3-Chome, Tachibanamachi, Amagasaki City 6610025 Japan.
6.	Mrs. Brinda Anand Somaya	00358908	A-17, Sterling Apartments, 38, Pedder Road, Mumbai 400026 Maharashtra.
7.	Mr. Katsuhiko Kato	07556964	152-0002, 5-57, Megurohoncho, Meguro - Ku, Tokyo 1520002, Japan.
8.	Mr. Anuj Jain	08091524	B-207, Nestle 1, P.B.Marg Near Deepak Talkies, Lower Parel, Mumbai 400 013.





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## RATIONALE FOR THE SCHEME

The rationale for the proposed merger is as follows:-

The merger will provide benefits of synergy, economies of scale, growth and expansion.

In view of the aforesaid, the Board of Directors of Marpol, Perma and Nerolac at their respective meetings held on 25<sup>th</sup> July, 2019, 26<sup>th</sup> July, 2019 and 29<sup>th</sup> July, 2019 have considered and unanimously approved, the Scheme of Amalgamation of Marpol and Perma with Nerolac subject to necessary statutory approvals. Accordingly, the Board of Directors of all the Companies have formulated this Scheme of Amalgamation for the transfer to and vesting of the respective undertakings and businesses of Marpol, and Perma into Nerolac pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 as applicable and in force.

Details of voting pattern by the board of directors of Marpol, Perma and Nerolac in respect of the resolution for approving the Scheme of Amalgamation are as follows:

### Directors of Marpol

Names of Directors who voted unanimously in favour of the resolution:

- Mr. Rohit Ramchandra Pai Panandiker
- Mr. Prashant Devidas Pai
- Mr. G.T. Govindarajan

### Directors of Perma

Names of Directors who voted unanimously in favour of the resolution:

- Mr. Charles Jeyasingh Augustine
- Mr. Mohammad Abdul Waheed
- Mr. Anuj Jain
- Mr. Prashant Devidas Pai



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#### **Directors of Nerolac**

Names of Directors who voted unanimously in favour of the resolution:

- Mr. Pradip Panalal Shah
- Mr. Harishchandra Meghraj Bharuka
- Mr. Noel Naval Tata
- Mr. Hidenori Furukawa
- Mr. Anuj Jain
- Mr. Hideshi Hasebe
- Mr. Hitoshi Nishibayashi
- Ms. Sonia Singh

All the Directors have unanimously approved the Scheme, subject to the approval of the members of Nerolac.

#### **AMOUNT DUE TO CREDITORS**

- (a) As on 30<sup>th</sup> September 2019, Marpol has a Secured Creditor being HDFC Bank for an amount of Rs. 13,52,46,595 and Unsecured Creditors to the extent of Rs. 13,45,66,669.74.
- (b) As on 30<sup>th</sup> September 2019, Perma has a Secured Creditor being Bank of Baroda for an amount of Rs. (11,08,280) and Unsecured Creditors to the extent of Rs. 2,24,71,607.
- (c) As on 30<sup>th</sup> September 2019, Nerolac does not have any Secured Creditors and has Unsecured Creditors to the extent of Rs. 4,06,99,74,117.

#### **1. DEFINITIONS:**

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

- 1.1. "Act" or "the Act" means the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force;



- 1.2. **"Appointed Date"** means 1st July, 2019 or such other date as may be fixed by the NCLT while sanctioning the Scheme;
- 1.3. **"Effective Date"** means the date on which the certified true copies of the Orders of the NCLT sanctioning this Scheme are filed by Marpol, Perma and Nerolac with the Registrar of Companies, for Marpol, Perma and Nerolac.
- 1.4. **"NCLT"** means the National Company Law Tribunal.
- 1.5. **"Marpol"** means Marpol Private Limited.
- 1.6. **"Perma"** means Perma Construction Aids Private Limited.
- 1.7. **"Nerolac"** means Kansai Nerolac Paints Limited.
- 1.8. **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 16.2 of this Scheme or any modifications approved or directed by the NCLT.
- 1.9. **"Transferor Companies"** means Marpol Private Limited and Perma Construction Aids Private Limited.
- 1.10. **"Transferee Company"** means Kansai Nerolac Paints Limited

All terms and words not defined shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations, bye laws as the case may be, including any statutory modification or re-enactment from time to time.

## 2. **DATE OF TAKING EFFECT AND OPERATIVE DATE:**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT, shall be operative from the Appointed Date but shall be implemented from the Effective Date.

## 3. **VESTING OF ASSETS:**

- 3.1. With effect from the Appointed Date, the entire business and undertaking of Marpol and Perma including all their properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature, such as licenses, lease, tenancy rights, if any, and all other rights, title, interest,



contracts, powers or benefits of every kind, nature and descriptions whatsoever shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT sanctioning this Scheme and without further act, instrument or deed, but subject to the securities, mortgages, charges, encumbrances or liens, if any, existing as on the Effective Date be transferred and / or deemed to be transferred to and vested in Nerolac so as to become the properties and assets of Nerolac.

- 3.2. However, in respect of such of the assets of Marpol and Perma as are movable in nature or are otherwise capable of transfer by manual delivery, they shall be physically handed over by manual delivery or endorsement and delivery. The same may be so transferred by Marpol and Perma, without requiring any deed or instrument or conveyance for the same and shall become the property of Nerolac to the end and intent that the ownership and property therein passes to Nerolac on such handing over, which would take place on the Effective Date or thereafter on a date as may be decided by the Board of Directors of Nerolac.

#### 4. TRANSFER OF LIABILITIES

- 4.1. With effect from the Appointed Date, all debts, liabilities, duties and obligations of Marpol and Perma as on the close of business on the date immediately preceding the Appointed Date, whether or not provided for in the books of Marpol and Perma and all other liabilities of Marpol and Perma which may arise or accrue on or after the Appointed Date upto the Effective Date, but which relate to the period on or upto the Appointed Date shall under the provisions of sections 230 to 232 of the Act and pursuant to the Orders of the NCLT sanctioning this Scheme and without any further act or deed, be transferred or deemed to be transferred to and vested in and be assumed by Nerolac, so as to become as from the Appointed Date, the debts, liabilities, duties and obligations of Nerolac on the same terms and conditions as were applicable to Marpol and Perma, Provided however that any charges, mortgages and/or encumbrances shall be confined only to the relative assets of Marpol and Perma or part thereof on or over which they are subsisting on transfer to and vesting of such assets in Nerolac and no such charges, mortgages, and/or encumbrances shall be enlarged or extend over or apply to any other asset(s) of Nerolac. Any reference in any security documents or arrangements (to which Marpol and Perma are parties) to any assets of Marpol and Perma shall be



so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Nerolac and Nerolac shall not be obliged to create any further or additional security.

- 4.2. For the removal of doubt, it is clarified that to the extent that there are deposits, obligations, balances or other outstandings as between Marpol, Perma and Nerolac, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of Nerolac for the reduction of such assets or liabilities, as the case may be, and there would be no accrual of interest or any other charges in respect of such deposits or balances, with effect from the Appointed Date.

## 5. LEGAL PROCEEDINGS:

- 5.1. If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against Marpol and Perma are pending on the Effective Date, the same shall not abate or be discontinued nor in any way be prejudicially affected by reason of the amalgamation of Marpol and Perma with Nerolac or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against Nerolac as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against Marpol and Perma, in the absence of the Scheme.

## 6. CONTRACTS AND DEEDS

- 6.1. All contracts, deeds, bonds, agreements, arrangements, incentives, licences, engagements, registrations and other instruments of whatsoever nature to which Marpol and Perma are parties or to the benefit of which Marpol and Perma may be eligible, and which have not lapsed and are subsisting on the Effective Date, shall remain in full force and effect against or in favour of Nerolac, as the case may be, and may be enforced by or against Nerolac as fully and effectually as if, instead of Marpol and Perma, Nerolac had been a party or beneficiary thereto.
- 6.2. Nerolac shall, if and to the extent required by law, enter into and/or issue and/or execute deeds, writings or confirmations, to give formal effect to the provisions of this Clause and to the extent that Marpol and Perma are required prior to the Effective Date to join in such deeds, writings or



confirmations, Nerolac shall be entitled to act for and on behalf of and in the name of Marpol and Perma.

## 7. SAVING OF CONCLUDED TRANSACTIONS

- 7.1. The transfer of the assets and liabilities of Marpol and Perma under Clauses 3 and 4 above, the continuance of Proceedings under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above, shall not affect any transaction or Proceedings already concluded by Marpol and Perma on or before the Effective Date, to the end and intent that Nerolac accepts and adopts all acts, deeds and things done and executed by Marpol and Perma in respect thereto, as if done and executed on its behalf.

## 8. EMPLOYEES

- 8.1. All the employees of Marpol and Perma in service on the Effective Date shall, on and from the Effective Date, become the employees of Nerolac without any break or interruptions in their service and upon the terms and conditions not less favourable than those on which they were engaged on the Effective Date.
- 8.2. With regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of Marpol and Perma, upon the Scheme becoming effective, Nerolac shall stand substituted for Marpol and Perma for all purposes whatsoever relating to the administration or operation of such schemes or funds in relation to the obligations 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.

## 9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

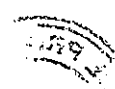
With effect from the Appointed Date and upto and including the Effective Date:

- 9.1. Marpol and Perma shall be deemed to have been carrying on and shall carry on their respective business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of their respective assets for and on account of, and in trust for Nerolac and all profits or dividends or other rights accruing to Marpol and Perma



and all taxes thereof, or losses arising or incurred by them, relating to such investments, shall, for all intent and purpose, be treated as the profits, dividends, taxes or losses, as the case maybe, of Nerolac.

- 9.2. Marpol and Perma shall carry on their respective business and activities with reasonable diligence, business prudence and shall not (without the prior written consent of Nerolac) alienate, charge, mortgage, encumber or otherwise deal with or dispose of their respective undertaking or any part thereof, except in the ordinary course of business.
- 9.3. All the profits or income, taxes (including advance tax and tax deducted at source) or any costs, charges, expenditure accruing to Marpol and Perma or expenditure or losses arising or incurred or suffered by Marpol and Perma shall for all purposes be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of Nerolac, as the case may be.
- 9.4. Marpol and Perma shall not vary the terms and conditions of service of their respective employees except in the ordinary course of their business.
- 9.5. On and after the Appointed Date and until the Effective Date, Marpol and Perma shall not without the prior written consent of the Board of Directors of Nerolac:
  - i. except as contemplated under this Scheme, issue or allot any further securities, either by way of rights or bonus or otherwise; or
  - ii. utilize, subject to Clause 10.1 below, the profits, if any, for any purpose including of declaring or paying any dividend.
- 9.6. It is clarified that all taxes payable by Marpol and Perma, relating to the transferred undertaking, from the Appointed Date onwards including all or any refunds and claims shall, for all purposes, be treated as the tax liabilities or refunds and claims of Nerolac.
- 9.7. This Scheme has been drawn up to comply with and fall within the definition and conditions relating to "Amalgamation" as specified under Section 2(1B) and other applicable provisions of the Income Tax Act, 1961, as amended. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Sections of the Income Tax Act, 1961, at a later date, including resulting from



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amendment of law or for any other reason whatsoever, the Scheme shall stand modified / amended / altered to the extent determined necessary to comply with and fall within the definition and conditions relating to "Amalgamation" as specified in the Income Tax Act, 1961. In such an event, the Clauses which are inconsistent shall be read down or if the need arises, be deemed to be deleted and such modification/reading down or deemed deletion shall however not affect the other parts of the Scheme.

9.8. Upon the Scheme becoming effective, Nerolac is expressly permitted and shall be entitled to revise its financial Statements and Returns along with prescribed Forms, fillings and annexures under the Income Tax Act, 1961, as amended, (including for minimum alternate tax purposes and tax benefits, ) GST law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

9.9. Marpol and Perma, shall preserve and carry on their respective businesses and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comforts or commitments for themselves or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the undertaking or any part thereof save and except in each case in the following circumstances:

- (a) If the same is in their ordinary course of business as carried on by both as on the date of filing this Scheme with the NCLT; or
- (b) If the same is permitted by this Scheme; or
- (c) If the same is permitted by a written consent of the Board of Directors of Nerolac; or
- (d) If the same is pursuant to any pre-existing obligations undertaken by Marpol and Perma.

9.10. Marpol and Perma shall not, without prior written consent of Nerolac, undertake any new Business.





- 9.11. Marpol and Perma shall not, without prior written consent of Nerolac, take any major policy decisions in respect of the management of either Marpol or Perma and for the business of either companies and shall not change their present capital structure.
- 9.12. Marpol and Perma shall co-operate with Nerolac for smooth transfer of the businesses and undertakings from Marpol and Perma to Nerolac and any of respective Directors of Marpol and Perma and any Directors of Nerolac shall be empowered to give effect to the Scheme in all aspects as may be necessary or expedient including settling any question or difficulties arising in relation to the Scheme in such manner as they deem fit to attain the objective of this Scheme and their decision in this regard shall be final and binding.
10. **DIVIDENDS**
- 10.1. Marpol, Perma and Nerolac shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Appointed Date. The dividend, if any, shall be declared by Marpol and Perma only with the prior written consent of the Board of Directors of Nerolac, as mentioned in Clause 9.5 above.
- 10.2. Subject to the provisions of the Scheme, the profits of Marpol and Perma, for the period beginning from the Appointed Date, shall belong to and be the profits of Nerolac and will be available to Nerolac for being disposed of in any manner as it thinks fit.
- 10.3. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Marpol and/or Perma and/or Nerolac to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of Nerolac, subject to such approval of the shareholders, as may be required.

11. **CONSIDERATION:**

As the entire Paid up Equity Share Capital of Marpol and Perma is held by Nerolac, upon the Scheme becoming effective, the entire paid-up Equity Share Capital of Marpol and Perma shall stand automatically cancelled and there will not be any issue and allotment of shares of Nerolac.



## 12. DISSOLUTION OF MARPOL AND PERMA

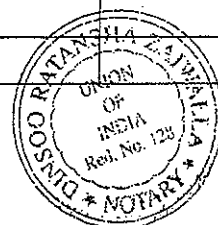
On the Scheme becoming effective, Marpol and Perma shall stand dissolved without being wound up without any further act by the parties.

## 13. FINANCIAL STATEMENT AND LIST OF SHAREHOLDERS OF MARPOL, PERMA AND NEROLAC AS ON 30<sup>TH</sup> SEPTEMBER, 2019 IS AS UNDER:

### 13.1. MARPOL

Financial Statement of Marpol as on 30<sup>th</sup> September, 2019 is as under:

Particulars	Amount (Rs. in Crores)	Amount (Rs. in Crores)
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	6.39	
Capital Work-in-progress	3.43	
Other Intangible Assets	<u>0.07</u>	
		9.89
Current Tax Assets (Net)		<u>0.07</u>
<b>Total Non-current Assets</b>		9.96
<b>Current Assets</b>		
Inventories		13.60
Financial Assets		
Trade Receivables	16.14	
Cash and Cash Equivalents	0.05	
Bank Balances other than cash and cash Equivalents	-	
Loans	<u>0.09</u>	
		16.28
Other Current Assets		<u>0.34</u>
<b>Total current Assets</b>		<u>30.22</u>
<b>Total Assets</b>		<b>40.18</b>
<b>Equity and Liabilities</b>		
Equity Share Capital	3.00	
Reserves and surplus	<u>7.74</u>	
<b>Total Equity</b>		10.74
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
Deferred Tax Liabilities (Net)	<u>0.03</u>	
<b>Total Non-current Liabilities</b>		0.03
<b>Current Liabilities</b>		



Financial Liabilities		
Borrowings	12.59	
Trade Payables		
Total Outstanding dues of Micro Enterprises and small Enterprises	-	
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	<u>15.96</u>	
	15.96	
Other Financial Liabilities	<u>0.32</u>	
	28.87	
Other Current Liabilities	0.19	
Provisions	<u>0.35</u>	
<b>Total Current Liabilities</b>		<u>29.41</u>
<b>Total Liabilities</b>		<u>29.44</u>
<b>Total Equity and Liabilities</b>		<b>40.18</b>

Sr. no	Names of shareholders	Address	Number of shares	Nominal Value per share (₹)	Amount in ₹	Percentage of holding (%)
1.	Kansai Nerolac Paints Limited	Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013	29,95,199	10	2,99,51,990	100 %
2.	Kansai Nerolac Paints Limited jointly held with Mr. Prashant Devidas Pai	Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013 & A/206, Vrindavan, V M Ghanekar Road Vile Parle East Mumbai 400057.	1	10	10	-
	<b>TOTAL</b>		<b>29,95,200</b>	<b>10</b>	<b>2,99,52,000</b>	<b>100%</b>

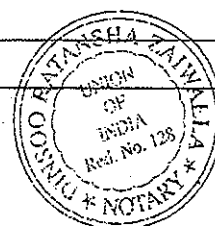
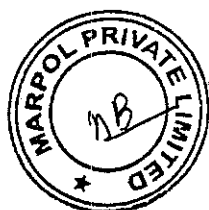


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## 13.2. PERMA

Financial Statement of Perma as on 30<sup>th</sup> September, 2019 is as under:

Particulars	Amount (Rs. in Crores)
<b>Assets</b>	
<b>Non-Current Assets</b>	
Property, Plant and Equipment	3.12
	3.12
<b>Financial Assets</b>	
Loans	0.12
	0.12
<b>Total Non-current Assets</b>	<b>3.24</b>
<b>Current Assets</b>	
Inventories	2.76
<b>Financial Assets</b>	
Trade Receivables	6.13
Cash and Cash Equivalents	2.27
	8.40
Other Current Assets	1.13
<b>Total current Assets</b>	<b>12.29</b>
<b>Total Assets</b>	<b>15.53</b>
<b>Equity and Liabilities</b>	
<b>Equity</b>	
Equity Share Capital	0.99
Other Equity	11.28
<b>Equity attributable to Equity Holders of the Holding Company</b>	<b>12.27</b>
<b>Total Equity</b>	<b>12.27</b>
<b>Liabilities</b>	
<b>Non-current Liabilities</b>	
Deferred Tax Liabilities (Net)	0.05
<b>Total Non-current Liabilities</b>	<b>0.05</b>
<b>Current Liabilities</b>	
<b>Financial Liabilities:</b>	
<b>Trade Payables</b>	
Total Outstanding dues of Micro Enterprises and small Enterprises	-
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2.38
	2.38
Other Financial Liabilities	0.17
	2.55
Other Current Liabilities	0.28



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Provisions	0.33
Current Tax Liabilities (Net)	0.05
<b>Total Current Liabilities</b>	<b>3.21</b>
<b>Total Liabilities</b>	<b>3.26</b>
<b>Total Equity and Liabilities</b>	<b>15.53</b>

Following are the Shareholders of Perma as on 30<sup>th</sup> September, 2019:

Names of shareholders	Address	Number of shares	Nominal Value per share (₹)	Amount in ₹	Percentage of holding (%)
Kansai Nerolac Paints Limited	Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013,	9,89,999	10	98,99,990	100 %
Kansai Nerolac Paints Limited jointly held with Mr. Prashant Devidas Pai	Nerolac House, Ganpatrao Kadam. Marg, Lower Parel, Mumbai-400013 and  A/206, Vrindavan, V M Ghanekar Road Vile Parle East Mumbai 400057.	1	10	10	-
<b>TOTAL</b>		<b>9,90,000</b>	<b>10</b>	<b>99,00,000</b>	<b>100%</b>

### 13.3. NEROLAC

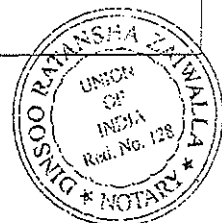
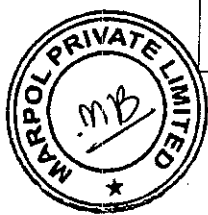
Financial Statement of Nerolac as on 30<sup>th</sup> September, 2019 is as under

Particulars	Amount (Rs. Crores)	Amount (Rs. Crores)
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	1513.24	



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Capital Work-in-progress	184.78	
Right of Use Assets (ROU)	51.84	
Investment Property	0.18	
Other Intangible Assets	<u>2.69</u>	
		1752.73
<b>Financial Assets:</b>		
Investments	138.08	
Loans	<u>14.34</u>	
		152.42
Current Tax Assets (Net)		112.20
Other Non-current Assets		<u>217.67</u>
<b>Total Non-current Assets</b>		2235.02
<b>Current Assets</b>		
Inventories		928.92
<b>Financial Assets</b>		
Investments	153.27	
Trade Receivables	866.89	
Cash and Cash Equivalents	64.23	
Bank Balances other than cash and cash Equivalents	2.50	
Loans	4.84	
Other Financial Assets	<u>76.00</u>	
		1167.73
Other Current Assets		<u>114.06</u>
<b>Total current Assets</b>		<u>2210.71</u>
<b>Total Assets</b>		<u>4445.73</u>
<b>Equity and Liabilities</b>		
Equity Share Capital	53.89	
Other Equity	3539.02	
<b>Total Equity</b>		3592.91
<b>Liabilities</b>		
<b>Non-current Liabilities</b>		
Financial Liabilities :		
Borrowings	-	
Lease Liabilities	47.04	
Deferred Tax Liabilities (Net)	74.32	
<b>Total Non-current Liabilities</b>		121.36
<b>Current Liabilities</b>		
Financial Liabilities :		
Lease Liabilities	10.71	
Trade Payables		
Total Outstanding dues of Micro Enterprises and small Enterprises	2.54	



Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	<u>552.73</u>	
	555.27	
<b>Other Financial Liabilities</b>	<u>96.77</u>	
		662.75
<b>Other Current Liabilities</b>		29.15
<b>Provisions</b>		17.67
<b>Current Tax Liabilities (Net)</b>		<u>21.89</u>
<b>Total Current Liabilities</b>		731.46
<b>Total Liabilities</b>		<u>852.82</u>
<b>Total Equity and Liabilities</b>		4445.73

Following are the Shareholders of Nerolac as on 30<sup>th</sup> September, 2019:

Sr. no.	Names of shareholders	Number of shares	Nominal Value per share (₹)	Amount in ₹	Percentage of holding (%)
1.	Promoter & Promoter Group	40,41,35,898	1	40,41,35,898	74.99%
2.	Public	13,47,83,822	1	13,47,83,822	25.01%
	<b>TOTAL</b>	<b>53,89,19,720</b>	<b>1</b>	<b>53,89,19,720</b>	<b>100%</b>

Nerolac is a company whose shares are listed on the stock exchanges viz. BSE Limited and National Stock Exchange of India Ltd and are freely transferable.

#### 14. ACCOUNTING TREATMENT

14.1. Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Companies in its books of accounts as under:

14.1.1. The Transferee Company shall, record all the assets and liabilities of the Transferor Companies vested in it pursuant to this Scheme, in accordance with the treatment provided for 'Pooling of Interest Method' as prescribed in the Indian Accounting Standard (IND AS) 103 (Appendix C) : 'Accounting for Business Combinations



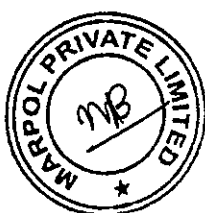
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under common control' and other applicable IND – AS prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended). In this case, since the Transferor Companies are wholly owned subsidiaries which are getting merged with the Transferee Company nothing has changed and the transaction only means that all the assets, liabilities and reserves of wholly owned subsidiaries which were appearing in the consolidated financial statements of Group immediately before the merger would now be a part of the separate financial statements of the Company. Accordingly, the value of all the assets, liabilities and reserves pertaining to the Transferor Companies as appearing in the consolidated financial statements of the Company would be recognised in the standalone financial statements of the Transferee Company.

14.1.2. The balance of the retained earnings appearing in the financial statements of the Transferor Companies determined as per Ind AS, shall be aggregated with the corresponding balance of the retained earnings appearing in the financial statements of the Transferee Company. The identity of the reserves standing in the books of the Transferor Companies determined as per Ind AS shall be preserved and shall appear in the financial statements of the Transferee Company in the same form and at the same values at which they appeared in the financial statements of the Transferor Companies.

14.1.3. Upon the Scheme becoming operative, comparative financial information in the financial statements of the Transferee Company shall be restated. Comparative financial information of Transferor Companies shall be incorporated in the financial statements of the Transferee Company from the date from which the Transferor Companies were under common control i.e. April 7, 2018 in case of Marpol and April 10, 2019 in case of Perma.

14.1.4. Upon the Scheme becoming operative, the difference, if any, between the carrying amount in the books of the Transferee Company of its investments in the equity share capital of the Transferor Companies which shall stand cancelled consequent to the Scheme and the aggregate face value of such equity share





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capital shall, subject to the other provisions contained herein, be adjusted to the capital reserves of the Transferee Company.

14.1.5. Inter-company balances, if any, will stand cancelled.

14.1.6. All transactions entered between the Transferor Companies and the Transferee Company shall stand cancelled.

14.1.7. In case of any differences in accounting policy between the Transferor Companies and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference, if any, will be quantified and adjusted in the Capital Reserve Account to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

14.1.8. All costs and expenses incurred in connection with the Scheme and to put it into operation and any other expenses or charges attributable to the implementation of the Scheme shall be debited to the Statement of Profit and Loss of the Transferee Company.

**15. CHANGE IN THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF NEROLAC:**

15.1. **Change in Authorised Share Capital:** Upon the Scheme being finally effective, the Authorised Share Capital of Marpol of Rs. 5,00,00,000 divided into 50,00,000 equity shares of Rs.10 each will stand subdivided into 5,00,00,000 equity shares of Re. 1/- each and will get merged with that of Nerolac without payment of additional fees and duties as the said fees have already been paid and the Authorised Share Capital of Nerolac will be increased to that extent and no separate procedure shall be followed under the Act.

15.2. Upon the Scheme being finally effective, the Authorised Share Capital of Perma of Rs. 1,50,00,000 divided into 15,00,000 Equity shares of Rs. 10 each will stand subdivided into 1,50,00,000 Equity shares of Re. 1 each and will get merged with that of Nerolac without payment of additional fees and duties as the said fees have already been paid and the Authorised Share Capital of Nerolac will be increased to that extent and no separate procedure shall be followed under the Act.



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16. **GENERAL:**

- 16.1. On the Scheme being agreed to by the respective requisite majorities of members of Marpol, Perma and Nerolac, Marpol and Nerolac shall with reasonable dispatch, apply to the NCLT, Mumbai and Perma shall, with reasonable dispatch apply to the NCLT, Ahmedabad for sanctioning this Scheme of Amalgamation under Section 230 to 232 of the Act and for an order or orders for carrying this Scheme into effect.
- 16.2. Subject to the approval of the NCLT both at Mumbai and Ahmedabad, Marpol, Perma and Nerolac through their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, are hereby empowered and authorized to assent from time to time to any modifications or amendments or conditions or limitation which the NCLT Mumbai and/or Ahmedabad or any other Government Authority may deem fit to approve or impose and to settle all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect.
- 16.3. The Scheme is conditional upon and subject to:
- (a) The Scheme being agreed to by the respective requisite majorities of the members as are referred to in clause 16.1 hereof on behalf of Marpol, Perma and Nerolac and requisite Order or Orders referred to in clause 16.1 being obtained.
  - (b) Such other sanctions and approvals as may be required by law in respect of the Scheme being obtained.
- 16.4. After the sanction of the Scheme and in spite of dissolution of Marpol and Perma, Nerolac shall for a period of two years from the date of sanction of the Scheme, be also entitled to continue to operate existing Bank account (s) of Marpol and Perma for the purpose of depositing cheques, drafts, pay orders and or payment advances issued to or to be issued in favor of Marpol and Perma and for the purpose of transferring such deposits in such accounts of Marpol and Perma to the account of Nerolac.



## 16.5. Disclosure about the effect of aforesaid Amalgamation on:

	MARPOL	PERMA	NEROLAC
<b>Key Managerial personnel</b>	Shall cease to be key managerial personnel in Marpol.	Shall cease to be key managerial personnel in Perma	No Effect
<b>Directors</b>	Shall cease to be directors in Marpol	Shall cease to be directors in Perma	No Effect
<b>Promoters</b>	Not Applicable, being wholly owned subsidiary of Nerolac.	Not Applicable, being wholly owned subsidiary of Nerolac	No Effect
<b>Non-Promoter members</b>	Not Applicable	Not Applicable	No Effect
<b>Depositors</b>	Not Applicable	Not Applicable	No Effect
<b>Creditors</b>	Creditors of Marpol would become creditors of Nerolac and shall be paid off in the ordinary course of Business. Inter-company creditors, if any would get cancelled	Creditors of Perma would become creditors of Nerolac and shall be paid off in the ordinary course of Business. Inter-company creditors, if any would get cancelled	No Effect
<b>Debenture holders</b>	Not Applicable	Not Applicable	Not Applicable
<b>Deposit Trustee and Debenture trustee</b>	Not Applicable	Not Applicable	Not Applicable



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Employees of the Company	Employees of Marpol will become employees of Nerolac on the same terms and conditions as are no less favourable than existing conditions without any interruption of service upon amalgamation with Nerolac.	Employees of Perma will become employees of Nerolac on such terms and conditions as are no less favourable than existing conditions without any interruption of service upon amalgamation with Nerolac	No Effect
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Except as stated in this Scheme, there will not have any effect on the interests of Directors, Promoters, Non-Promoter members, Depositors, Creditors, Debenture holders, Deposit Trustee and Debenture trustee, Employees of the Company, as the case may be. There are no investigations, proceedings instituted or pending against Marpol, Perma and Nerolac under the provisions of the Companies Act, 2013.

- 16.6. The person may vote in the meeting either in person or by proxies as specifically provided in the notice convening meeting of the shareholders of Nerolac wherever required.
- 16.7. The details of the following documents for obtaining extract from or for making copies or for inspection by the members and creditors would also be available at the respective registered offices of Marpol, Perma and Nerolac.
  - (a) Latest audited financial statements of the company including consolidated financial statements;
  - (b) Copy of the Scheme;
  - (c) The certificate issued by Auditor of the Transferee Company to the effect that the accounting treatment, if any, proposed in the scheme of compromise or arrangement is in conformity with the Indian - AS prescribed.



16.8. This Scheme will be forwarded / filed with all required regulatory or any other government authorities to seek its approval / no objection / sanctions, if any, as may be required.

16.9. Inter-se relationship between Directors of Marpol, Perma and Nerolac.

The directors of Marpol, Perma and Nerolac as on the Appointed Date are as under:

Particulars	Marpol	Perma	Nerolac
Name of Directors	Mr. Rohit Ramchandra Pai Panandiker	Mr. Charles Jeyasingh Augustine	Mr. Pradip Panalal Shah
	Mr. Prashant Devidas Pai	Mr. Mohammad Abdul Waheed	Mr. Harishchandra Meghraj Bharuka
	Mr. G.T. Govindarajan	Mr. Anuj Jain	Mr. Noel Naval Tata
		Mr. Prashant Devidas Pai	Mr. Masaru Tanaka
			Mr. Hidenori Furukawa
			Mrs. Brinda Anand Somaya
			Mr. Katsuhiko Kato
			Mr. Anuj Jain

Subsequent to the Appointed Date, the following directors resigned as directors of Nerolac:

Particulars	Nerolac
Name of Directors	Mr. Masaru Tanaka
	Mrs. Brinda Anand Somaya
	Mr. Katsuhiko Kato



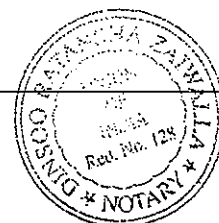
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Subsequent to the Appointed Date, the following directors were appointed as directors of Nerolac:

Particulars	Nerolac
Name of Directors	Mr. Hideshi Hasebe
	Mr. Hitoshi Nishibayashi
	Ms. Sonia Singh

Inter-se relation of directors of Nerolac with the directors of Marpol and Perma :

Name of Director	Inter-se Relations with Directors of Marpol	Inter-se Relations with Directors of Perma
Mr. Pradip Panalal Shah	Not Applicable	Not Applicable
Mr. Harishchandra Meghraj Bharuka	Not Applicable	Not Applicable
Mr. Noel Naval Tata	Not Applicable	Not Applicable
Mr. Masaru Tanaka (resigned subsequent to the Appointed Date)	Not Applicable	Not Applicable
Mr. Hidenori Furukawa	Not Applicable	Not Applicable
Mrs. Brinda Anand Somaya (resigned subsequent to the Appointed Date)	Not Applicable	Not Applicable
Mr. Katsuhiko Kato (resigned subsequent to the Appointed Date)	Not Applicable	Not Applicable



Mr. Anuj Jain	Not Applicable	Director in Perma
Mr. Hideshi Hasebe (appointed as director subsequent to the Appointed Date)	Not Applicable	Not Applicable
Mr. Hitoshi Nishibayashi (appointed as director subsequent to the Appointed Date)	Not Applicable	Not Applicable
Ms. Sonia Singh (appointed as director subsequent to the Appointed Date)	Not Applicable	Not Applicable
Save and except as provided herein, no Inter-se relationship between the Directors of Nerolac, Marpol and Perma		

Inter-se relation of the directors of Perma with the directors of  
Marpol and Nerolac:

Name of Director	Inter-se Relations with Directors of Marpol	Inter-se Relations with Directors of Nerolac
Mr. Charles Jeyasingh Augustine	Not Applicable	Not Applicable
Mr. Mohammad Abdul Waheed	Not Applicable	Not Applicable
Mr. Anuj Jain	Not Applicable	Director in Nerolac
Mr. Prashant Devidas Pai	Director in Marpol	Chief Financial Officer in Nerolac
Save and except as provided herein, no Inter-se relationship between the Directors of Nerolac, Marpol and Perma		



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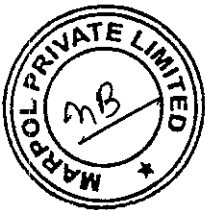
**Inter-se relation of the directors of Marpol with the directors of directors of Perma and Nerolac :**

Name of Director	Inter-se Relations with Directors of Perma	Inter-se Relations with Nerolac
Mr. Rohit Ramchandra Pai Panandiker	Not Applicable	Not Applicable
Mr. Prashant Devidas Pai	Director in Perma	Chief Financial Officer in Nerolac
Mr. G.T. Govindarajan	Not Applicable	Company Secretary in Nerolac
Save and except as provided herein, no Inter-se relationship between the Directors of Nerolac, Marpol and Perma.		

16.10. Marpol and Perma are the wholly owned subsidiaries of Nerolac.

#### 17. REVOCATION OF THE SCHEME:

17.1. In the event of any of the said sanctions and approvals referred to in Clause 16.1 above, not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the NCLT and/or order or orders not being passed as aforesaid before 31<sup>st</sup> March, 2021 or such other date as may be mutually agreed upon by the respective Board of Directors of Marpol, Perma and Nerolac who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se Marpol, Perma and Nerolac or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of Nerolac with the approval of the NCLT shall be entitled to revoke, cancel and declare the Scheme of no effect, if such Boards are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up





orders with any authority could have adverse implication on all/any of the companies.

18. COST

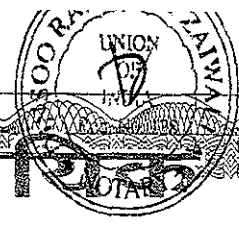
- 18.1. All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or Tribunal's order of Marpol, Perma and Nerolac respectively in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement of the said Scheme and in pursuance of this Scheme shall be borne and paid by Nerolac exclusively.



For MARPOL PRIVATE LIMITED

*Chatur*  
Director





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महाराष्ट्र MAHARASHTRA

© 2019 ©

WK 081803

प्रधान मुद्रांक कार्यालय, मुंबई  
प.म.ति.क. ८०००००९  
- 6 DEC 2019  
सक्षम अधिकारी

श्री. सी. टी. आर्नेकर

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

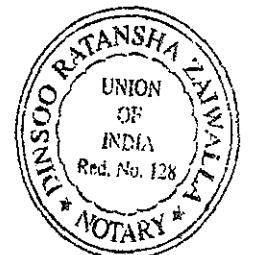
MUMBAI BENCH AT MUMBAI

C.A.(CAA)/ /MB/2019

In the matter of the Companies Act, 2013;

And

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



1227

ऑडियट-9 Annexure

कृत प्रमाणपत्रासाठी Only for Affidavit

**MARPOL PRIVATE LIMITED**  
Panandiker Chambers, 1st Floor,  
Minguel Loyda Furlado Road,  
MARGAON GOA-403 601

मुद्रांक दिवस घेणाऱ्याचे नाव

मुद्रांक दिवस घेणाऱ्याचे रहिवासी पत्ता

मुद्रांक दिवस घेणाऱ्याची नोंद वही अनु. क्रमांक

दिनांक

मुद्रांक दिवस घेणाऱ्याची सही

परवानाधारक मुद्रांक विक्रियाची सही

परवाना क्रमांक ८०००००९

मुद्रांक विक्रीचे नाव/पत्ता ज्योती पी.पुआ

६, मरीडगाँव विविधता व. २, माका हॉस्पिटल, परेल, मुंबई - ४०० ०९२

राजकीय प्रमाणपत्रासाठी/समाधानासाठी प्रमाणित आदर करणेसाठी मुद्रांक

कायदाची आवश्यकता नाही. (राशिके दि. ०१/०९/२००४) मुद्रांक

ज्या कायदासाठी ज्योती मुद्रांक खरेदी करून त्याची त्याच कारणासाठी मुद्रांक अर्दी  
केल्यामुळे दुरुस्थितीत आपण बंधनकारक आहे.

12 DEC 2019

And

In the matter of Scheme of Merger by  
Absorption of MARPOL PRIVATE LIMITED,  
PERMA CONSTRUCTION AIDS PRIVATE  
LIMITED ("the Transferor Companies")  
With KANSAI NEROLAC PAINTS LIMITED  
("the Transferee Company").

MARPOL PRIVATE LIMITED, a company )  
incorporated under the provisions of the )  
Companies Act, 1956 having its registered )  
office at Panandiker Chambers, 1st Floor, M.L )  
Furtado Road, Margao, Goa - 403601. )  
CIN No. U24222GA1983PTC000532 ) ...Applicant Company/  
Transferor Company

I, G.T. Govindarajan, Company Secretary of Kansai Nerolac Paints Limited (the Company), having office at Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai, 400013, do solemnly affirm and say as under:-

1. I am the Company Secretary of the Company and am authorized to make this Affidavit on its behalf.
2. The Company is a shareholder of the Applicant Company and holds on its own its 29,95,199 equity shares of Rs.10 each fully paid up.
3. I say that under a Scheme of Amalgamation, Marpol Private Limited and Perma Construction Aids Private Limited are to be amalgamated with the Company.



4. I say that the Board of Directors of the Company and the Transferor Companies by their separate resolutions passed at their respective meetings held on 29<sup>th</sup> July 2019, 25<sup>th</sup> July 2019 and 26<sup>th</sup> July 2019 have approved the Scheme of Amalgamation. A certified true copy of the said Board Resolution approving the Scheme of Amalgamation of the Perma Construction Aids Private Limited and the Applicant Company with the Company is annexed as Annexure "A" to the Company Scheme Application filed by the Company.
5. In the aforesaid circumstances, the Company hereby gives its consent to the proposed Scheme of Amalgamation in the Capacity of a shareholder of the Applicant Company and hereby authorize the Board of Directors of the Applicant Company to take all steps to implement the Scheme including filing of Applications/Petitions before the Hon'ble National Company Law Tribunal and such other Authorities as may be required for obtaining their Sanction to the Proposed Scheme of Amalgamation.

Solemnly affirmed at Mumbai )  
 This <sup>th</sup> day of December 2019 )

FOR KANSAL NEROLAC PAINTS LTD.

*G. T. Govindarajan*  
 G. T. GOVINDARAJAN  
 COMPANY SECRETARY

Before me,

For Kanga and Company

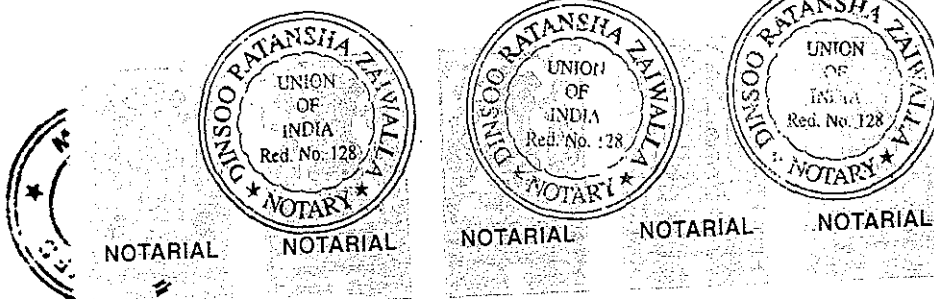
*B. Vaidya*  
 Partner

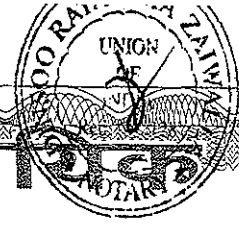
Advocates for the Applicant Company.

Signed Before Me,

*D. S. Zaiwalla*  
 DINSOO ZAIWALLA  
 NOTARY  
 UNION OF INDIA  
 R.S.No. 2974 Dt. 16.12.2019

*Dinsoo Zaiwalla*  
 Zaiwalla & Co.  
 Advocates, Solicitors & Notary  
 43, Veer Nariman Road, Fort,  
 Mumbai-400 001. (India)





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महाराष्ट्र MAHARASHTRA

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WK 081804

प्रधान मुद्रांक कार्यालय, मुंबई  
प.म. लि. क. 1000000

- 6 DEC 2019

सक्षम अधिकारी

श्री. सी. टी. आंबेकर

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH AT MUMBAI

C.A.(CAA)/

/MB/2019

In the matter of the Companies Act, 2013;

And

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



1226

जॉइंट-9 Annexure

केवल प्रतिभाषनासाठी Only for Affidavit

MARPOL PRIVATE LIMITED

मुद्रांक विकत घेणाऱ्याचे नाव

Panandiker Chambers, 1st Floor,

मुद्रांक विकत घेणाऱ्याचे रहिवासी पत्ता

Minguel Loyola Furlado Road,

MARGAON GOA-403 601

मुद्रांक विक्रीबाबतची नोंद घेई अंगु. क्रमांक

दिनांक

12 DEC 2019

मुद्रांक विकत घेणाऱ्याची सही

परवानाधारक मुद्रांक विक्रियाची सही

परवाना क्रमांक - 60000008

मुद्रांक विक्रीचे नाव/पत्ता ज्योती पी.दुआ

६, कॉॅंटाजी बिल्डिंग नं. ३, आर्य हॉस्पिटल, परेल, मुंबई - ४०० ०९२

शासकीय कार्यालयात/पोलीस ठाण्यात/सर्वोच्च न्यायालयात सादर करण्यासाठी मुद्रांक

कागदाची आवश्यकता नाही. (संलग्न नॉटिस दि. ०९/०९/२००८) नुसार

ज्या कारणासाठी ज्यांनी मुद्रांक सादर करून त्यांनी त्याच कारणासाठी मुद्रांक अर्दे  
केव्हापासून ६ महिन्यात वापरणे आवश्यक आहे

And

In the matter of Scheme of Merger by  
Absorption of MARPOL PRIVATE LIMITED,  
PERMA CONSTRUCTION AIDS RIVATE  
LIMITED ("the Transferor Companies")  
With KANSAI NEROLAC PAINTS LIMITED  
("the Transferee Company").

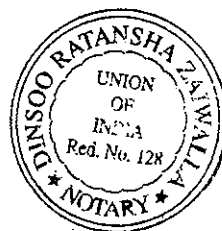
MARPOL PRIVATE LIMITED, a company )  
incorporated under the provisions of the )  
Companies Act, 1956 having its registered )  
office at Panandiker Chambers, 1<sup>st</sup> Floor, M.L )  
Furtado Road, Margao, Goa - 403601. )  
CIN No. U24222GA1983PTC000532 ) ...Applicant Company/  
Transferor Company

We, G.T. Govindarajan, of Mumbai Indian Inhabitant, Company  
Secretary of Kansai Nerolac Paints Limited ("the Company") having  
office at Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai,  
400013 and Prashant Devidas Pai, of Mumbai Indian Inhabitant, residing at,  
A/206, Vrindavan, V M Ghanekar Road Vile Parle East Mumbai 400057 do  
solemnly affirm and say as under:-





1. I am G.T. Govindarajan, Company Secretary of the Company and am authorized to make this Affidavit on its behalf.
2. The Company and Prashant Devidas Pai are shareholders of the Applicant Company and jointly hold its 1 equity share of Rs. 10 fully paid up.
3. We say that under a Scheme of Amalgamation, Marpol Private Limited and Perma Construction Aids Private Limited are to be amalgamated with the Company.
4. We say that the Board of Directors of the Company and the Transferor Companies by their separate resolutions passed at their respective meetings held on 29<sup>th</sup> July 2019, 25<sup>th</sup> July 2019 and 26<sup>th</sup> July 2019 have approved the Scheme of Amalgamation. A certified true copy of the said Board Resolution approving the Scheme of Amalgamation of Marpol Private Limited and the Applicant Company with the Company is annexed as **Annexure "A"** hereto.
5. In the aforesaid circumstances, we hereby give our consent to the proposed Scheme of Amalgamation in the Capacity of shareholders of the Applicant Company and hereby authorize the Board of Directors of the Applicant Company to take all steps to implement the Scheme including filing of Applications/Petitions before the Hon'ble National Company Law Tribunal and such other Authorities



as may be required for obtaining their Sanction to the Proposed  
Scheme of Amalgamation.

Solemnly affirmed at Mumbai )

FOR KANSAI NEROLAC PAINTS LTD.

This <sup>4</sup> day of December 2019 )

G. P. GOVINDARAJAN  
COMPANY SECRETARY

1. For Kansai Nerolac Paints Limited

*Prashant*

2. Prashant Devidas Pai

Before me,

For Kanga and Company

*B. Vaidya*

Partner

Advocates for the Applicant Company.

All Signed Before Me,

*D. I. 300*  
DINSOO ZAIWALLA  
NOTARY  
UNION OF INDIA  
R.S.No. 0934 Dt. 16.12.2019

*Dinsoo Zaiwalla*  
*Zaiwalla & Co.*  
*Advocates, Solicitors & Notary*  
*43, Veer Nariman Road, Fort,*  
*Mumbai-400 001. (India)*



NOTARIAL

NOTARIAL

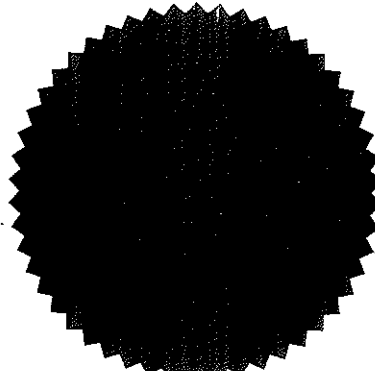


NOTARIAL



NOTARIAL

NOTARIAL

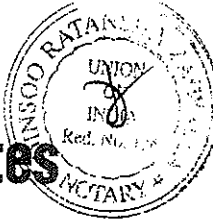




ANNEXURE - "F"

**Hegde Joshi & Associates**

Chartered Accountants



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**CERTIFICATE**

Date : December 16, 2019

We have examined the relevant records and documents produced before us for examination and verification, of Marpol Private Private Limited ("the Company") having its registered office at Panandiker Chambers, 1st Floor, M.L Furtado Road, above ICICI Bank, Margao, Salcete, Goa- 403601, and on the basis of such examination and verification and other information and explanation provided to us, list of shareholders of the Company as on 30th September, 2019 is enclosed as an annexure to this Certificate.

For Hegde Joshi & Associates

Chartered Accountants

CA Subodh Joshi

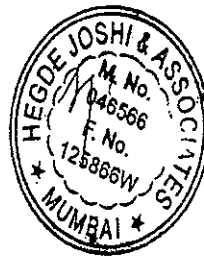
Partner

Membership No. 046566

Place : Mumbai

UDIN : 19046566AAAAEK1494

Encl : a/a





# Marpol Pvt. Ltd.

(AN ISO 9001:2015 COMPANY)

Panandiker Chambers, 1st Floor,

M.L. Furtado Road, P.O. No. 700,

Margao Goa -403601 India

Tel:0832-2713055,2713056, Fax -2733124

Email: [info@marpolind.com](mailto:info@marpolind.com) Website: <http://www.marpolind.com>

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## List of Shareholders of Marpol as on 30<sup>th</sup> September, 2019:

	Names of shareholders	Address	Number of shares	Nominal Value per share (₹)	Amount in ₹	Percent age of holding (%)
1.	Kansai Nerolac Paints Limited	Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013	29,95,199	10	2,99,51,990	100 %
2.	Kansai Nerolac Paints Limited jointly held with Mr. Prashant Pai	Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013 & A/206, Vrindavan, V M Ghanekar Road Vile Parle East Mumbai 400057.	1	10	10	-
	<b>TOTAL</b>		<b>29,95,200</b>	<b>10</b>	<b>2,99,52,000</b>	<b>100%</b>

For MARPOL PRIVATE LIMITED

*Prashant Pai*

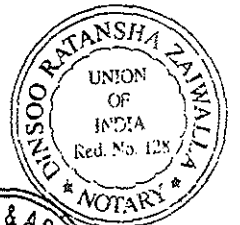
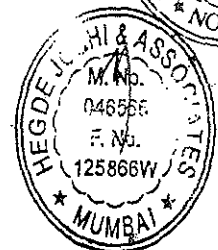
Prashant Pai  
Director



For HEGDE JOSHI & ASSOCIATES  
Chartered Accountants

*(Subodh Joshi)*  
(Subodh Joshi)  
Partner

Membership No. 046566  
Firm No. 125866W

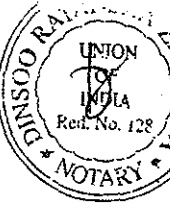


CA

ANNEXURE - "G"

**Hegde Joshi & Associates**

Chartered Accountants



189

**CERTIFICATE**

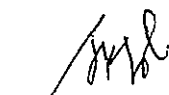
Date : December 16, 2019

We have examined the relevant records and documents produced before us for examination and verification, of Marpol Private Private Limited ("the Company") having its registered office at Panandiker Chambers, 1st Floor, M.L Furtado Road, above ICICI Bank, Margao, Salcete; Goa- 403601, and on the basis of such examination and verification and other information and explanation provided to us, we report that annexures of Unsecured Creditors as on 30th September, 2019 of the Company and Secured Creditors as on 30th September, 2019 of the Company is enclosed.

The Company has Unsecured Creditors amounting to Rs.13,45,66,669.74 (Rupees Thirteen Crore Forty Five Lakhs Sixty Six Thousand Six Hundred and Sixty Nine and Paise Seventy Four) as on 30th September, 2019. Further the Company has Secured Creditors amounting to Rs. 13,52,46,595 (Rupees Thirteen Crore Fifty Two Lakhs Forty Six Thousand Five Hundred and Ninety Five) as on 30th September, 2019.

For Hegde Joshi & Associates

Chartered Accountants

  
CA Subodh Joshi

Partner

Membership No. 046566

Place : Mumbai

UDIN : 19046566AAAAEH7870

Encl : a/a





# Marpol Pvt. Ltd.

(AN ISO 9001:2015 COMPANY)

Panandiker Chambers, 1st Floor,

M.L. Furtado Road, P.O. No. 700,

Margao Goa -403601 India

Tel:0832-2713055,2713056, Fax -2733124

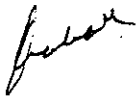
Email: [info@marpolind.com](mailto:info@marpolind.com) Website: <http://www.marpolind.com>

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## List of Secured Creditors as on 30<sup>th</sup> September 2019

Sl No.	VENDOR NAME	AMOUNT
1	HDFC Bank Ltd - Cash Credit Facility C/A 00370330000134	13,52,46,595

For MARPOL PRIVATE LIMITED




Prashant Pai

Director



For HEGDE JOSHI & ASSOCIATES  
Chartered Accountants

  
(Subodh Joshi)  
Partner

Membership No. 046566  
Firm No. 125866W





ANNEXURE - "H"

**Hegde Joshi & Associates**

Chartered Accountants



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**CERTIFICATE**


Date : December 16, 2019

We have examined the relevant records and documents produced before us for examination and verification, of Marpol Private Private Limited ("the Company") having its registered office at Panandiker Chambers, 1st Floor, M.L Furtado Road, above ICICI Bank, Margao, Salcete, Goa- 403601, and on the basis of such examination and verification and other information and explanation provided to us, we report that annexures of Unsecured Creditors as on 30th September, 2019 of the Company and Secured Creditors as on 30th September, 2019 of the Company is enclosed.

The Company has Unsecured Creditors amounting to Rs.13,45,66,669.74 (Rupees Thirteen Crore Forty Five Lakhs Sixty Six Thousand Six Hundred and Sixty Nine and Paise Seventy Four) as on 30th September, 2019. Further the Company has Secured Creditors amounting to Rs. 13,52,46,595 (Rupees Thirteen Crore Fifty Two Lakhs Forty Six Thousand Five Hundred and Ninety Five) as on 30th September, 2019.

For Hegde Joshi & Associates

Chartered Accountants

  
CA Subodh Joshi

Partner

Membership No. 046566

Place : Mumbai

UDIN : 19046566AAAAEH7870

Encl : a/a





# Marpol Pvt. Ltd.

(AN ISO 9001:2015 COMPANY)

Panandiker Chambers, 1st Floor,

M.L. Furtado Road, P.O. No. 700,

Margao Goa -403601 India

Tel:0832-2713055,2713056, Fax -2733124

Email: [info@marpolind.com](mailto:info@marpolind.com) Website: <http://www.marpolind.com>

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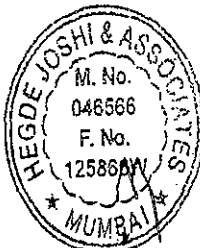
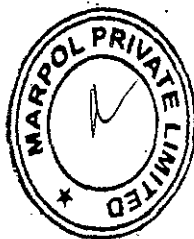
## List of Unsecured Creditors as on 30<sup>th</sup> September 2019

Sr. No.	Vendor Code	Vendor Name	Amount
1	R00003-RES	Rochem Separation Systems India PvtLtd	5,85,000.00
2	S00163-MPL	S. SURESH KUMAR	15,000.00
3	A00016-UN1	AMBIKA PHARMA.& CHEMICAL INDU.	5,19,200.00
4	A00024-UN1	AROMA CHEMICAL AGENCIES	1,71,100.00
5	A00043-UN1	ATUL LTD POLYMER DIVISION	1,11,15,603.00
6	A00064-UN1	AMRITLAL BROTHERS	39,984.00
7	C00018-UN1	CJS SPECIALTY CHEMICALS PVT LTD	6,05,347.00
8	C00024-UN1	CHEMI ENTERPRISES LLP	1,69,566.00
9	E00018-UN1	ENVIRON SPECIALITY CHEMICALS PVT LTD	42,185.00
10	G00002-UN2	GRASIM INDUSTRIES LIMITED	37,05,201.00
11	G00009-UN1	GOLDEN DYECHEM	35,45,513.00
12	H00009-UN1	HEUBACH COLOUR PVT. LTD	20,296.00
13	J00013-UN1	JKP MICROMINERALS (I) PVT LTD	16,83,675.00
14	K00028-UN1	KRISHNA ANTIOXIDANTS PVT.LTD.	1,66,144.00
15	K00031-UN1	KANSAI NEROLAC PAINTS LTD	7,53,71,895.30
16	M00002-UN1	MAHARASHTRA ORGANO METALIC	6,83,810.00
17	P00017-UN1	PON PURE CHEM (P) LTD MUMBAI	1,92,196.30
18	R00018-UN1	RISHICHEM DISTRIBUTORS PVT LTD	16,49,640.00
19	R00035-UN1	REDA CHEMICALS INDIA PRIVATE LIMITED	4,60,837.00
20	S00038-UN1	SUDARSHAN CHEMICAL INDUSTRIES LTD (MUM)	8,14,200.00
21	T00002-UN1	20 MICRONS LIMITED	8,00,889.10
22	T00020-UN1	THE METAL POWDER CO LTD. - THIRUMANGALAM	9,453.00
23	T00032-UN1	TATVA CHINTAN PHARMA CHEM PVT LTD	8,14,200.00
24	V00020-UN1	VIMAL INTERTRADE PVT.LTD.	8,94,204.00
25	A00007-UN1	ADARSH PRINTERS	1,782.00
26	D00022-UN1	DESAI PACKAGING PVT. LTD.	2,04,530.00
27	G00015-UN1	GUARI PACKAGING INDUSTRIES	7,15,930.50
28	J00020-UN1	Jai Ambe Plastics	2,10,712.20
29	K00026-UN1	KRIS FLEXIPACKS PVT LTD (UNIT IV )	3,47,276.50
30	L00015-UN1	LAXMI PACKAGING	2,66,158.00
31	S00007-UN1	SAMARTH PLASTIC INDUSTRIES	1,43,585.00
32	S00055-UN1	SANTOSHI PACKAGING	7,37,532.00
33	A00002-UN1	AARTI ENGINEERS	84,929.00
34	A00006-RES	AMIR TANKS & VESSELS PVT LTD	81,371.00
35	A00040-UN1	ASHOKA BEARING ENTERPRISES	57,534.56
36	A00065-UN1	A R BATTERIES	32,509.52

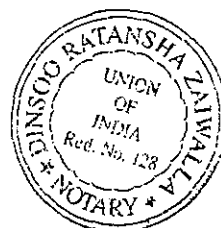




37	A00075-MPL	AARYAN ENGINEERING PVT.LTD.	1,84,800.00
38	B00008-UN1	BIO-LAB (INDIA)	14,130.00
39	C00023-UN1	COMPAIR SALES & SERVICES	51,102.62
40	D00001-UN1	D. N. HEMMADY & CO.	15,161.50
41	E00006-UN1	ELICON SALES CORPORATION	735.00
42	E00019-UN1	EUREKA ENGINEERING ENTERPRISES	2,655.00
43	G00003-UN1	GEEKAY HYDROLINKS	5,714.00
44	H00017-UN1	HIMRAJ COOLING SYSTEMS	36,443.50
45	K00023-UN1	KLASSIC LABELS & BARCODE TECHNOLOGIES	8,496.00
46	M00002-RES	MICRO BIO TECH (INDIA)	6,165.00
47	M00020-UN1	MILAN PLASTIC AGENCIES	6,930.00
48	N00008-UN1	NEEL GRAPHICS	19,380.00
49	O00008-UN1	OM TRADING COMPANY	1,41,188.00
50	P00004-UN1	P.R. ENGINEERING	1,49,448.00
51	P00018-UN1	POPULAR PANELS	35,400.00
52	P00023-UN1	PREMIER REFRIGERATION & AIR-CONDITIONING	13,292.70
53	P00042-UN1	PARIKH INDUSTRIAL TRADERS	3,120.00
54	R00002-RES	MITSUBA SYSTEMS (INDIA) LLP	20,768.00
55	S00002-RES	SOFTECH COMPUTERS SERVICES	15,191.00
56	S00040-MPL	SONISH EQUI-CHEM INDUSTRIES	7,01,442.30
57	S00058-UN1	STEER ENGINEERING PRIVATE LIMITED	5,50,115.00
58	S00062-UN1	SAMANT AUTOMOBILES	92,136.00
59	S00070-UN1	S M ENGINEERING	76,380.95
60	S00084-UN1	S K PLASTO	53,690.00
61	T00017-UN1	TRINITY MAHALASA DURGA SALES & SERVICES	30,729.96
62	U00006-UN1	UNITHERM ENGINEERING SERVICES	34,413.00
63	V00019-UN1	VISHWAKARMA ENTERPRISE	6,02,953.00
64	V00042-MPL	VASHI IELECTRICALS PVT LTD	25,513.60
65	H00017-MPL	HUBEI HOYONN CHEMICAL INDUSTRY CO.,LTD	10,23,862.50
66	L00005-UN1	LG CHEM LIMITED	45,24,800.00
67	S00033-UN1	SOJITZ CORPORATION	26,53,851.60
68	Y00001-UN1	YANTAI LINGYU POWDER MACHINERY	3,29,665.64
69	A00010-UN1	AIMIL LIMITED	6,300.00
70	B00001-UN2	BHAVANI ENVIRO TECHNOLOGIES PVT.LTD.	12,35,460.00
71	B00003-UN1	BANDEKAR OFFSET	1,302.00
72	D00006-UN1	DOSHY ENTERPRISES	10,384.00
73	E00013-MPL	EXIM SOLUTIONS	21,600.00
74	F00001-MPL	First Flight Couriers Ltd	458.00
75	F00007-MPL	FIVE OAKS APARTMENT OWNERS ASSOCIATION	2,000.00
76	G00028-MPL	GIRISH KUMAR CHAUDHARY	20,000.00



77	G00039-MPL	GURUDAS P NAGVENKAR & SONS	190.00
78	I00001-MPL	IDEA CELLULAR LIMITED	7,010.55
79	K00016-MPL	KAMAT & COMPANY	2,28,492.00
80	K00031-MPL	KARTHIKEYAN	719.00
81	K00032-MPL	KANSAI NEROLAC PAINTS LIMITED	13,18,168.70
82	K00036-MPL	KANSAI NEROLAC PAINTS LTD.	80,10,429.00
83	K00038-MPL	KETAN ENGINEERING	18,560.00
84	L00004-MPL	LAXMI ENGINEERING WORKS	55,158.00
85	L00011-MPL	LILADHAR PASOO FORWARDERS PVT LTD	26,115.00
86	M00010-RES	MARUDHAR MARKETING	10,274.00
87	M00035-MPL	MALABAR COAST MARINE.SERVICES PVT.LTD.	1,267.00
88	M00044-MPL	METRO RADIATORS & OIL COOLERS	1,72,398.00
89	M00049-MPL	MOTIV ENTERPRISES	750.00
90	P00016-MPL	Pardeep Mittal (H.U.F)	3,500.00
91	P00047-MPL	PRADEEP PANDURANG BHENDE	33,300.00
92	R00001-MPL	RELIANCE INDIA MOBILE	1,281.00
93	R00046-MPL	R.K.ENGINEERING WORKS	174.00
94	R00057-MPL	RUBY REALTORS	26,32,202.00
95	S00048-MPL	SITA RAM YADAV & SONS HUF	6,000.00
96	S00051-UN1	SHAIENDRA G BAGI	15,500.00
97	S00113-MPL	SECRET EYE SECURITY SERVICES	59,144.00
98	S00141-MPL	SHUBHAM BHAUSAHEB JAID	54,000.00
99	T00007-MPL	TALATI & CO	65,430.00
100	T00008-MPL	TECHXPRT SERVICES	2,500.00
101	U00014-MPL	UKS STRUCTURES PVT LTD	1,80,470.00
102	V00036-MPL	VASTA TRANSPORT	5,000.00
103	V00041-MPL	VODAFONE IDEA LIMITED	680.00
104	C00005-MPL	CCI LOGISTICS LIMITED	2,10,768.00
105	G00038-MPL	GANGA RAIL XPRESS	1,26,011.00
106	M00047-MPL	MODERN LOGISTICS	3,47,700.00
107	R00005-MPL	REEMA TRANSPORT PVT LTD.	98,899.00
108	R00020-MPL	RENUKA TRANSPORT	10,400.00
109	R00047-MPL	RAMA LOGISTICS	2,935.07
110	S00117-MPL	SINGH TRANSPORT GOODS CARRIER	83.00
111	S00144-MPL	SAHARA LOGISTICS	8,335.00
112	T00006-MPL	TNT INDIA PVT LTD	1,609.00
113	T00029-MPL	TCI EXPRESS LIMITED	1,42,214.00
114	V00001-MPL	V-TRANS (INDIA) LTD	3,970.00
115	C00001-DEO	CHINAR ENTERPRISES	53,719.82
116	D00001-DEO	DEEPALI COLOUR & CHEMICALS	4,629.00

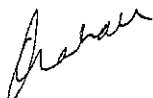


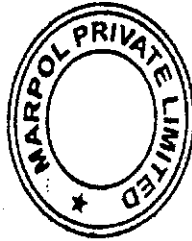


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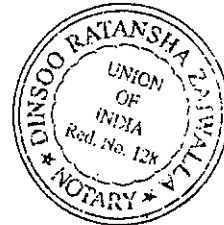
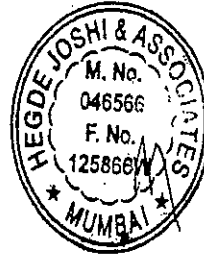
117	G00001-DEO	GURU NANAK AGENCY	17,473.00
118	H00002-DEO	HI-TECH AGENCIES	0.08
119	P00001-DEO	PEARL MARKETING	1,29,135.00
120	R00003-DEO	RISHABH ENTERPRISES	1,626.00
121	A00005-MUO	A.K.CHEMICALS	22,004.00
122	D00001-MUO	DELTA THERMO POWDER CO.	30.00
123	M00002-MUO	MULTICHEM	47,547.03
124	M00003-MUO	MALHAR TRADING COMPANY	2,448.00
125	K00002-BAO	KODMAN INC	55,000.61
126	K00005-BAO	KHUSHI ENTERPRISES	5,06,145.53
127	O00002-BAO	OM ENTERPRISES	1,79,108.50
Total			13,45,66,669.74

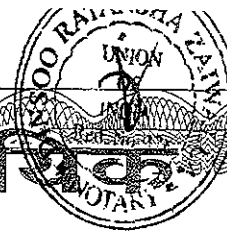
For Marpol Private Limited

  
Prashant D Pai  
Director

For HEGDE JOSHI & ASSOCIATES  
Chartered Accountants

  
(Subodh Joshi)  
Partner  
Membership No. 046566  
Firm No. 125866W





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महाराष्ट्र MAHARASHTRA

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प्रधान मुद्रांक कार्यालय, मुंबई  
प.म.वि.क. 70000009

- 6 DEC 2019

सक्षम अधिकारी

श्री. सी. टी. आवेक

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH AT MUMBAI

C.A.(CAA)/ /MB/2019

In the matter of the Companies Act, 2013

And

In the matter of the Section 230 to 232 and  
Section 52 of the Companies Act, 2013 and  
other applicable provisions of the  
Companies Act, 2013 and the rules made  
thereunder;

1223

आड्डेम्ब-9 Annexure

कयत प्रमाणपत्राची Only for Affidavit

मुद्रांक दिवत घेणावचें नांव

**MARPOL PRIVATE LIMITED**

मुद्रांक दिवत घेणावचें रहिल्ली पत्ता ~~Panansilker Chambers, 1st Floor,~~

मुद्रांक दिवत घेणावचें जोंद वरी जसु, बसोळ ~~Minguel, 1st Floor, Furlado Road,~~

**MARGAON GOA-403 601**

मुद्रांक दिवत घेणावचें लोको

परदाकारक मुद्रांक गिकित्याची सही

परमाणु क्रमांक ८०००००९

मुद्रांक दिवत घेणावचें जसु/पत्ता जसु/पत्ता पी. दुआ

६, कॉन्स्टीट्यूटिव्ह नं. २, जसु/पत्ता, परेल, मुंबई - ४०० ०९२

जसु/पत्ता जसु/पत्ता जसु/पत्ता जसु/पत्ता जसु/पत्ता जसु/पत्ता

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2 DEC 2019

197

And

In the matter of Scheme of Merger by  
Absorption of Marpol Private Limited,  
Perma Construction Private Limited ("the  
**Transferor Companies**") with Kansai  
Nerolac Paints Limited ("the **Transferee  
Company**").

MARPOL PRIVATE LIMITED, a company )  
incorporated under the provisions of the )  
Companies Act, 1956 having its registered office )  
at Panandiker Chambers, 1<sup>st</sup> Floor, M.L. )  
Furtado Road, Margao, Goa - 403601. )  
CIN No. U24222GA1983PTC000532 ) .. **Applicant Company**

**GENERAL AFFIDAVIT VERIFYING THE APPLICATION**

I, Mr. Prashant Devidas Pai of Mumbai, Indian Inhabitant, having my  
office at Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai –  
400013, Maharashtra, do hereby solemnly affirm and state as under:-

1. I am the Director of the Applicant Company, in the above matter and I am  
duly authorized by the Applicant Company vide its Board Resolution  
dated 25<sup>th</sup> July, 2019, to make this affidavit on its behalf.
2. The statements made in paragraphs III (1) to (12), (14) first three lines,  
(15), (16), IV and V of the Application herein are true to my own  
knowledge, and the statements made in paragraphs I, II, III (13) and (14)



last three lines are based on information and belief and I believe the same  
to be true.

Solemnly affirmed at Mumbai )

This <sup>th</sup> 6 day of December 2019 )

*Handwritten signature*

Before Me

Signed Before Me,

*Handwritten signature*  
DINSOO ZAIWALLA  
NOTARY  
UNION OF INDIA  
R.S.No. 0974 Dt. 16.11.2019

For Kanga and Company,

*B. Vaidya*

Partner

Advocates for the Applicant Company

*Dinsoo Zaiwalla*  
*Zaiwalla & Co.*  
*Advocates, Solicitors & Notary*  
*43, Veer Nariman Road, Fort,*  
*Mumbai-400 001. (India)*



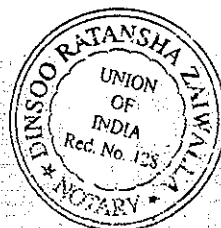
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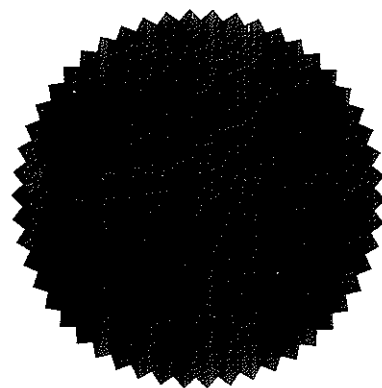


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VAKALATNAMA

199

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT MUMBAI

C.A.(CAA)/ /MB/2019

In the matter of Companies Act,  
2013

And

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

And

In the matter of Scheme of Merger  
by Absorption of Marpol Private  
Limited, Perma Construction Aids  
Private Limited ("The Transferor  
Companies") with Kansai Nerolac  
Paints Limited ('The Transferee  
Company")

MARPOL PRIVATE LIMITED, a company )  
incorporated under the provisions of the )  
Companies Act, 1956 having its registered office )  
at Panandiker Chambers, 1<sup>st</sup> Floor, M.L. )  
Furtado Road, Margao, Goa - 403601. )  
CIN No. U24222GA1983PTC000532 ) .. Applicant Company

To,

Deputy Director,  
National Company Law Tribunal  
Mumbai Bench



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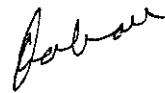
Sir,

We, Marpol Private Limited, the Applicant Company, hereby appoint Messrs Kanga and Company, Advocates and Solicitors having its address at Readymoney Mansion, 43, Veer Nariman Road, Fort, Mumbai - 400001, to act, appear and plead on our behalf in the above matter.

**IN WITNESS WHEREOF** we have set and subscribed our hands to this writing at Mumbai.

Dated this 17<sup>th</sup> day of December, 2019

Marpol Private Limited



Mr. Prashant Devidas Pai

Director of the Applicant Company

Accepted:

For and on behalf of

KANGA AND COMPANY



Partner,

Advocates for the Applicant Company

**ADDRESS FOR SERVICE**

Messrs Kanga & Company  
Advocates & Solicitors  
Readymoney Mansion,  
43, Veer Nariman Road,  
Fort, Mumbai - 400 001.

**BEFORE THE NATIONAL COMPANY  
LAW TRIBUNAL, MUMBAI BENCH  
C.A.(CAA)/ /MB/2019**

In the matter of Companies Act, 2013

And

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

And

In the matter of Scheme of Merger by  
Absorption of Marpol Private  
Limited, Perma Construction Aids  
Private Limited ("Transferor  
Companies") With Kansai Nerolac  
Paints Limited

Marpol Private Limited ...Applicant Company

**VAKALATNAMA**

Dated this 17<sup>th</sup> day of December, 2019

**Messrs Kanga & Company,  
Advocates for Applicant Company,  
Readymoney Mansion,  
43, Veer Nariman Road,  
Fort, Mumbai – 400 001**

**BEFORE THE NATIONAL COMPANY  
LAW TRIBUNAL, MUMBAI BENCH**

**C.AA(CAA)/**

**/MB/2019**

In the matter of Section of Companies  
Act, 2013;

And

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

And

**In the matter of Scheme of Merger by  
Absorption;**

Amongst Scheme of Merger by  
Absorption of Marpol Private Limited,  
Perma Construction Aids Private Limited  
with Kansai Nerolac Paints Limited.

**Marpol Private Limited      ...Transferor Company**

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**COMPANY SCHEME APPLICATION**

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Dated this 17<sup>th</sup> day of December, 2019



**MESSRS. KANGA AND COMPANY,**  
**Advocates for Applicant Company,**  
1<sup>st</sup> Floor, Ready money Mansion  
43, Veer Nariman Road,  
Fort, Mumbai – 400 001

**BEFORE THE NATIONAL COMPANY  
LAW TRIBUNAL, MUMBAI BENCH**

**C.AA(CAA)/**

**/MB/2019**

In the matter of Section of Companies  
Act, 2013;

And

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

And

**In the matter of Scheme of Merger by  
Absorption;**

Amongst Scheme of Merger by  
Absorption of Marpol Private Limited,  
Perma Construction Aids Private Limited  
with Kansai Nerolac Paints Limited.

**Marpol Private Limited     ...Transferor Company**

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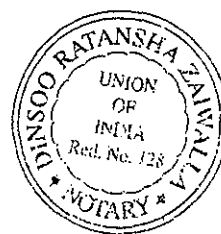
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**COMPANY SCHEME APPLICATION**

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Dated this <sup>th</sup> 17 day of December, 2019



**MESSRS. KANGA AND COMPANY,**  
**Advocates for Applicant Company,**  
1<sup>st</sup> Floor, Ready money Mansion  
43, Veer Nariman Road,  
Fort, Mumbai – 400 001