

18th September, 2020

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|---|--|
| <p>1. Corporate Relationship Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.</p> | <p>2. Manager – Listing
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051.</p> |
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Sub.: Notice of NCLT Convened Meeting of Equity Shareholders of Kansai Nerolac Paints Limited to be held on Tuesday, 20th October, 2020 at 12.00 p.m. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM")

- Ref.: 1. Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**
2. Scrip Codes : BSE - 500165, NSE - KANSAINER

Dear Sirs,

Kindly note that pursuant to an order dated 21st February, 2020, in Company Scheme Application No. 4110 of 2019 read with the order dated 4th September, 2020, in Company Application No. 1023 of 2020 passed by the National Company Law Tribunal, Mumbai Bench ("NCLT"/"Tribunal") (collectively referred to as the "Orders"), a meeting of the Equity Shareholders of Kansai Nerolac Paints Limited ("the Applicant Company") will be convened on Tuesday, 20th October, 2020 at 12:00 p.m. (IST) ("Tribunal Convened Meeting") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Merger by Absorption amongst Marpol Private Limited, Perma Construction Aids Private Limited with Kansai Nerolac Paints Limited on a going concern basis under the provisions of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Act and rules framed thereunder ("the Act") ("Scheme").

Further please note that in pursuance of the Orders and as directed therein, the Tribunal Convened Meeting will be convened in compliance with the applicable provisions of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and by following the operating procedures (with requisite modifications as may be required) referred to in General Circular No. 14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs ("MCA Circulars"), without the physical presence of the Equity Shareholders at a common venue and physical attendance of the Equity Shareholders has been dispensed with.

In terms of the provisions of Regulation 30 of SEBI Listing Regulations, the Notice of the Tribunal Convened Meeting alongwith the Explanatory Statement under Sections 230, 232 and 102 of Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, *inter alia* including the Scheme, is enclosed herewith.

The Notice of the Tribunal Convened Meeting has been sent today i.e. on 18th September, 2020, by electronic mode to those Equity Shareholders whose Email ID is registered with the Applicant Company/ Depository Participant. It has been sent by physical mode to those Equity Shareholders whose Email ID is not registered with the Applicant Company/ Depository Participant.

In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said MCA Circulars, the Company is pleased to provide the facility of “e-voting” to its Equity Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the Tribunal Convened Meeting, by electronic means. The Company has engaged the services of National Securities Depository Limited (“NSDL”), who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the Tribunal Convened Meeting) (“remote e-voting”) as well as e-voting during the proceeding of the Tribunal Convened Meeting (“e-voting at the Tribunal Convened Meeting”).

Further, in accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Tuesday, 13th October, 2020 as the “cut-off date” to determine the eligibility to vote by remote e-voting or e-voting at the Tribunal Convened Meeting.

Remote e-voting: The remote e-voting period begins on Friday, 16th October, 2020 at 9.00 a.m. and ends on Monday, 19th October, 2020 at 5.00 p.m. and the remote e-voting module shall be disabled by NSDL for voting thereafter.

E-voting at the Tribunal Convened Meeting: The procedure for e-voting at the Tribunal Convened Meeting is same as the procedure for remote e-voting. Only those Equity Shareholders, who will be present at the Tribunal Convened Meeting through VC/OAVM facility and who would not have cast their vote by remote e-voting prior to the Tribunal Convened Meeting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the Tribunal Convened Meeting.

Attending the Tribunal Convened Meeting: Equity Shareholders are being provided with a facility to attend the Tribunal Convened Meeting through VC/ OAVM through the NSDL e-voting system.

Instructions with respect remote e-voting, e-voting at the Tribunal Convened Meeting and with respect to attending the Tribunal Convened Meeting through VC/ OAVM form part of the Notice of the Tribunal Convened Meeting.

In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be considered approved by the Equity Shareholders only if it is approved by majority of the Equity Shareholders of the Applicant Company, representing three-fourth in value of the Equity Shareholders, voting through remote e-voting or through e-voting at the Tribunal Convened Meeting. The Scheme, if approved in the Tribunal Convened Meeting, will be subject to the subsequent approval of NCLT.

Please take the above submission on record.

For **KANSAI NEROLAC PAINTS LIMITED**

G. T. GOVINDARAJAN
COMPANY SECRETARY

Encl: As above

KANSAI NEROLAC PAINTS LIMITED

Registered Office: 'Nerolac House', Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013, Maharashtra.
 Tel.: +91-22-24934001 • Fax: +91-22-24936296 • Website: www.nerolac.com
 Investors Relations Email ID: investor@nerolac.com • Corporate Identity Number (CIN): L24202MH1920PLC000825

NOTICE OF TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS	
Day	: Tuesday
Date	: 20th October, 2020
Time	: 12.00 p.m.
Mode of Meeting	: In view of the ongoing COVID-19 pandemic and related social distancing norms, as per the directions of the Hon'ble National Company Law Tribunal, Mumbai, the meeting shall be conducted through Video Conferencing / Other Audio Visual Means.

REMOTE E-VOTING / E-VOTING AT THE MEETING	
Cut-off date for e-voting	: 13th October, 2020
Remote e-voting start and end date and time	: From 16th October, 2020 at 9.00 a.m. to 19th October, 2020 at 5.00 p.m.
E-voting at the meeting start and end date and time	: As may be instructed by the Chairperson of the Meeting, during the proceedings of the meeting

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

C.A.(CAA)/4110 /MB/2019

In the matter of the Companies Act, 2013;

And

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

And

In the matter of Scheme of Merger by Absorption amongst Marpol Private Limited ("**Transferor Company No. 1**"); Perma Construction Aids Private Limited ("**Transferor Company No. 2**");

With

Kansai Nerolac Paints Limited ("**the Transferee Company**").

Kansai Nerolac Paints Limited, a company incorporated under the Indian Companies Act, 1913 having its registered office at Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013, Maharashtra.

CIN: L24202MH1920PLC000825

...Applicant Company/ the Transferee Company in C.A.(C.A.A.)/4110/MB/2019

NOTICE CONVENING THE MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY

To

The Equity Shareholders of Kansai Nerolac Paints Limited

NOTICE is hereby given that by an order dated 21st February, 2020, in Company Scheme Application No. 4110 of 2019 read with the order dated 4th September, 2020, in Company Application No. 1023 of 2020 (“collectively referred to as the **“Orders”**”), the National Company Law Tribunal, Mumbai Bench (**“NCLT”** or **“Tribunal”**) has directed a meeting to be held of the equity shareholders of the Applicant Company for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Merger by Absorption amongst Marpol Private Limited (**“Transferor Company No. 1”**), Perma Construction Aids Private Limited (**“Transferor Company No. 2”**) (Transferor Company No. 1 and Transferor Company No. 2 are collectively referred to as **“the Transferor Companies”**) with Kansai Nerolac Paints Limited (**“the Transferee Company”**) on a going concern basis under the provisions of Sections 230 to 232 of the Companies Act, 2013 (**“the Act”**) (**“Scheme”**).

In pursuance of the said Orders and as directed therein, meeting of the equity shareholders of the Applicant Company (**“Tribunal Convened Meeting”**) will be held on Tuesday, 20th October, 2020 at 12:00 p.m. (IST) through Video Conferencing (**“VC”**) / Other Audio Visual Means (**“OAVM”**) following the operating procedures (with requisite modifications as may be required) referred to in General Circular No. 14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs, Government of India. At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s) under Sections 230 to 232 and other applicable provisions of the Act by requisite majority:

***“RESOLVED THAT** pursuant to the provisions of Section 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, read with related rules, circulars and notifications thereto as applicable under the Companies Act, 2013 as amended (including any statutory modification or re-enactment or amendment thereof), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to the relevant provisions of any other applicable laws and enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to the approval of National Company Law Tribunal, Mumbai Bench (hereinafter referred to as **“the NCLT”**) and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as **“the Board”**, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the Scheme of Merger by Absorption amongst Marpol Private Limited, Perma Construction Aids Private Limited with Kansai Nerolac Paints Limited on*

a going concern basis and their respective shareholders and creditors (hereinafter referred to as “Scheme”) placed before this meeting and initialed by the Chairperson of the meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT *the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper without being required to seek any further approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution”.*

TAKE FURTHER NOTICE that in compliance with the provisions of (i) Section 230 read with Section 108 of the Companies Act, 2013; (ii) Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; (iii) Rule 20 and other applicable provisions of the Companies (Management and Administration) Rules, 2014; and (iv) Regulation 44 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Applicant Company has provided the facility of voting by remote electronic voting (“**remote e-voting**”) and e-voting during the Tribunal Convened Meeting using facility offered by National Securities Depository Limited (“**NSDL**”) so as to enable the equity shareholders, to consider and approve the Scheme by way of the aforesaid resolution.

TAKE FURTHER NOTICE that in terms of the said Orders of the Tribunal, in addition to facility of voting through e-voting system during the Tribunal Convened Meeting through VC/ OAVM, the persons entitled to attend and vote at the Tribunal Convened meeting shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes through remote e-voting during the period commencing from 9.00 a.m. (IST) on 16th October, 2020 and ending at 5.00 p.m. (IST) on 19th October, 2020, arranged by NSDL. The voting rights of Shareholders shall be in proportion to their share in the paid-up share capital of the Applicant Company as on 13th October, 2020, being the cut-off date (“**Cut-off Date**”). The Equity Shareholders opting to cast their votes by remote e-voting or voting during the meeting through VC/ OAVM are requested to read the instructions in the Notes below carefully. In case of remote e-voting, the votes should be cast in the manner described in the instructions by 5.00 p.m. (IST) on 19th October, 2020. Remote e-voting module will be disabled by NSDL thereafter.

Further, there shall be no meeting requiring physical presence at a common venue in view of the present circumstances on account of the COVID-19 pandemic.

TAKE FURTHER NOTICE that each equity shareholder can opt for only one mode of voting i.e. (a) remote e-voting or (b) vote through e-voting system during the meeting through VC/ OAVM,

as arranged by NSDL on behalf of the Company. If you opt for remote e-voting, you will nevertheless be entitled to attend and participate in the meeting but you will not be entitled to vote again during the meeting through VC/ OAVM.

TAKE FURTHER NOTICE that since the physical attendance of members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the said meeting and hence, the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 112 and 113 of the Act, authorized representatives of the members may be appointed for the purpose of voting through remote e-voting, for participation in the meeting through VC/OAVM facility and e-voting during the meeting provided an authority letter/ power of attorney by the board of directors or a certified copy of the resolution passed by its board of directors or other governing body authorizing such representative to attend and vote at the meeting through VC/ OAVM on its behalf along with the attested specimen signature of the duly authorized signatory(ies) who are authorized to vote is emailed to the Scrutinizer at jhr@jhrasso.com with a copy marked to evoting@nsdl.co.in not later than 48 (forty eight) hours before the time for holding the Meeting. Kindly refer Notes below for further details on the voting procedure.

A copy of the Scheme, the Explanatory Statement under Sections 230, 232 and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, are enclosed herewith. A copy of this notice and the accompanying documents will be placed on the website of the Company viz. www.nerolac.com and will also be available on the website of BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com and also on the website of NSDL at www.evoting.nsdl.com. The Applicant Company is required to furnish a copy of the Scheme within one day of any requisition of the Scheme being made by any equity shareholder, to the Applicant Company by e-mail at merger@nerolac.com. A recorded transcript of the meeting shall also be made available on the website of the Company as soon as possible.

The Tribunal has appointed Mr. Pradip Panalal Shah, Chairman of the Board of Directors of the Applicant Company and failing him, Mr. Harishchandra Meghraj Bharuka, Vice Chairman and Managing Director of the Applicant Company and failing him Mr. Noel Naval Tata, Independent Director of the Applicant Company to be the Chairperson of the Tribunal Convened Meeting including for any adjournment or adjournments thereof. The Scheme, if approved in the Tribunal Convened Meeting, will be subject to the subsequent approval of the Tribunal.

The results of the meeting shall be announced by the Chairperson not later than 48 (forty eight) hours of the conclusion of the Tribunal Convened Meeting upon receipt of Scrutinizer's report and the same shall be displayed on the website of the Company (www.nerolac.com) and on the website of NSDL (www.evoting.nsdl.com), being the agency appointed by the Company to provide the voting facility to the shareholders, as aforesaid.

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In accordance with the provisions of Sections 230-232 of the Act, the Scheme of Arrangement shall be considered approved by the Equity Shareholders only if the Scheme is approved by majority of persons representing three-fourth in value of the members, of the Applicant Company, voting in person through VC/OAVM or by remote e-voting.

At least one independent director and the auditor (or his authorized representative who is qualified to be an auditor) shall also attend the Meeting through VC/OAVM.

P. P. SHAH
DIN : 00066242
Chairperson appointed by
NCLT for the meeting.

Date: 11th September, 2020

Place: Mumbai

Registered Office: Nerolac House, Ganpatrao Kadam Marg, Lower Parel,
Mumbai-400 013, Maharashtra.
Tel: +91-22-24934001
Fax: +91-22-24936296

Notes:

1. In view of the ongoing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the order dated 21st February, 2020, in Company Scheme Application No. 4110 of 2019 read with the order dated 4th September, 2020, in Company Application No. 1023 of 2020 (“collectively referred to as the **“Orders”**), passed by the National Company Law Tribunal, Mumbai Bench (**“NCLT”**), the meeting of the equity shareholders of Kansai Nerolac Paints Limited (**“Tribunal Convened Meeting”**) is being convened on Tuesday, 20th October, 2020, at 12:00 p.m. (IST) through Video Conferencing (**“VC”**) / Other Audio Visual Means (**“OAVM”**) without the physical presence of the Shareholders at a common venue, as per applicable procedure mentioned in the General Circular No. 14/2020 dated 8th April, 2020 read with General Circular no. 17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (the **“MCA”**), for the purpose of considering, and if thought fit, approving, with or without modification(s), Scheme of Merger by Absorption amongst Marpol Private Limited (**“Marpol”/“Transferor Company No. 1”**), Perma Construction Aids Private Limited (**“Perma”/“Transferor Company No. 2”**) (Transferor Company No. 1 and Transferor Company No. 2 are collectively referred to as **“the Transferor Companies”**) with Kansai Nerolac Paints Limited (**“Nerolac”/“the Transferee Company”**) and their respective shareholders and creditors on a going concern basis, under the provisions of Sections 230 to 232 of the Companies Act, 2013 (**“the Act”**) and other relevant provisions of the Act and rules framed thereunder (**“Scheme”**).
2. Explanatory Statement under Sections 230, 232 and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to the Tribunal Convened Meeting, is annexed hereto.
3. Pursuant to the provisions of the Act and applicable rules thereunder, a Member who would be entitled to attend and vote at the Tribunal Convened Meeting would be entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this Tribunal Convened Meeting is being held through VC/ OAVM, whereby physical attendance of Equity Shareholders has been dispensed with and in line with the General Circular No. 14/2020 dated 8th April, 2020 read with General Circular no. 17/2020 dated 13th April, 2020 issued by MCA (collectively referred as **“said Circulars”**), THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE FOR THE SHAREHOLDER IS NOT MADE AVAILABLE FOR THIS TRIBUNAL CONVENED MEETING and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

However, in terms of the provisions of Section 112 and 113 of the Act read with the said Circulars, Corporate Members are entitled to appoint their authorized representatives to attend the Tribunal Convened Meeting through VC/ OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately, hereinbelow). Such Corporate Members are requested to refer ‘General Guidelines for Shareholders’ provided hereinbelow, for more information.

4. The Shareholders can join the Tribunal Convened Meeting in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned hereinbelow. The facility of participation at the Tribunal Convened Meeting through VC/ OAVM will be made available for 1,000 Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the Tribunal Convened Meeting without restriction on account of 'first come first serve' basis.
5. The attendance of the Shareholders attending the Tribunal Convened Meeting through VC/ OAVM will be counted for the purpose of reckoning the quorum.
6. The Shareholders, seeking any information with regard to any matter to be placed at the Tribunal Convened Meeting, are requested to write to the Company on or before 17th October, 2020, through Email on merger@nerolac.com. The same will be replied by/ on behalf of the Company suitably.
7. **Voting through electronic means**

In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said Circulars, the Company is pleased to provide the facility of "e-voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the Tribunal Convened Meeting, by electronic means. The instructions for e-voting are given hereinbelow.

The Company has engaged the services of National Securities Depository Limited ("**NSDL**"), who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the Tribunal Convened Meeting) ("**remote e-voting**") as well as e-voting during the proceeding of the Tribunal Convened Meeting ("**e-voting at the Tribunal Convened Meeting**").

Further, in accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Tuesday, 13th October, 2020 as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the Tribunal Convened Meeting. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Tuesday, 13th October, 2020, shall be entitled to avail the facility of remote e-voting or e-voting at the Tribunal Convened Meeting.

Only those Shareholders, who will be present at the Tribunal Convened Meeting through VC/OAVM facility and who would not have cast their vote by remote e-voting prior to the Tribunal Convened Meeting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the Tribunal Convened Meeting.

NCLT has appointed Mr. J. H. Ranade, Membership No. F4317 and Certificate of Practice No. 2520 or failing him, Mr. Sohan J. Ranade, Membership No. A33416 and Certificate of Practice No. 12520 or failing him, Ms. Tejaswi A. Zope, Membership No. A29608 and Certificate of Practice No. 14839, Partners of JHR & Associates, Company Secretaries in Practice, as the Scrutinizer to scrutinize the remote e-voting and the e-voting at the Tribunal Convened Meeting in a fair and transparent manner.

Instructions for Shareholders for remote e-voting:

The remote e-voting period begins on Friday, 16th October, 2020 at 9.00 a.m. and ends on Monday, 19th October, 2020 at 5.00 p.m. and the remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-voting system at www.evoting.nsdl.com/

How to Log-in to NSDL e-voting website?

- I. Visit the e-voting website of NSDL. Open web browser by typing the following URL: www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
- II. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- III. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at www.eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

- IV. Your User ID details are given below :

Manner of holding shares	Your User ID
a) For Shareholders who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Shareholders who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Shareholders holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company. For example, if folio number is 001*** and EVEN is 114590 then user ID is 114590001***

- V. Your password details are given below:
- a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the '*initial password*' which was communicated to you. Once you retrieve your '*initial password*', you need to enter the '*initial password*' and the system will force you to change your password.
 - c) How to retrieve your '*initial password*'?
 - (i) If your Email ID is registered in your demat account or with the Company, your '*initial password*' is communicated to you on your Email ID. You will be required to trace the Email sent to you from NSDL from your mailbox. You can open the Email and open the attachment i.e. a PDF file.

The password to open the PDF file is your 8 digit client ID for NSDL account or last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The PDF file contains your '*User ID*' and your '*initial password*'.
 - (ii) If your Email ID is not registered, please follow steps mentioned below i.e. process for those Shareholders whose Email IDs are not registered.
 - d) If you are unable to retrieve or have not received the '*initial password*' or you have forgotten your password:
 - (i) If you are holding shares in your demat account with NSDL or CDSL: Click on "*Forgot User Details/ Password?*" option available on www.evoting.nsdl.com.
 - (ii) If you are holding shares in physical mode: "*Physical User Reset Password?*" option available on www.evoting.nsdl.com.
 - (iii) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in, by mentioning your demat account number/ folio number, your PAN, your name and your registered address.
 - (iv) **Shareholders can also use the OTP (one time password) based login for casting the votes on the e-voting system of NSDL.**
- VI. After entering your password, tick on Agree to "*Terms and Conditions*" by selecting on the check box.
- VII. Now, you will have to click on "*Login*" button.
- VIII. After you click on the "*Login*" button, Home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system.

How to cast your vote electronically on NSDL e-voting system?

- I. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on “e-voting”. Then, click on “Active Voting Cycles”.
- II. After clicking on “Active Voting Cycles”, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
- III. Select “EVEN” of “Kansai Nerolac Paints Limited”, which is 114590.
- IV. Now you are ready for e-voting as the Voting page opens.
- V. Cast your vote by selecting appropriate options i.e. “Assent” or “Dissent”, verify/ modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
- VI. Upon confirmation, the message “Vote cast successfully” will be displayed.
- VII. You can also take the printout of the votes cast by you by clicking on the “print” option on the confirmation page.
- VIII. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those Shareholders, whose Email Ids are not registered with the Company/ depository participants for procuring user Id and password and registration of Email Ids for e-voting for the resolutions set out in this Notice:

- I. For Shareholders who hold shares in Dematerialized form:
 - a) Visit the link : <https://green.tsrdarashaw.com/green/events/login/kn>
 - b) Enter the DP ID & Client ID and PAN details and captcha code.
 - c) System will check the authenticity of the Client ID and PAN details.
 - d) On successful verification, system will allow you to enter your Email ID and mobile number.
 - e) Enter your Email ID and mobile number.
 - f) The system will then confirm the Email ID for the limited purpose of service of this Tribunal Convened Meeting Notice.
- II. For Shareholders who hold shares in Physical form:
 - a) Visit the link : <https://green.tsrdarashaw.com/green/events/login/kn>
 - b) Enter the physical Folio Number and PAN details and captcha code.
 - c) In the event the PAN details are not available on record, Shareholder to enter one of the share certificate’s number.

- d) System will check the authenticity of the Folio Number and PAN details or the share certificate number.
- e) On successful verification, system will allow you to enter your Email ID and mobile number.
- f) Enter your Email ID and mobile number.
- g) If PAN details are not available, the system will prompt the Shareholder to upload a self-attested copy of the PAN card.
- h) The system will then confirm the Email ID for the limited purpose of service of this Tribunal Convened Meeting Notice.

After successful submission of the Email ID, NSDL will Email a copy of this Tribunal Convened Meeting Notice along with the remote e-voting User ID and Password.

Instructions for Shareholders for e-voting at the Tribunal Convened Meeting:

- I. The procedure for e-voting at the Tribunal Convened Meeting is same as the instructions mentioned above for remote e-voting.
- II. As mentioned hereinabove, only those Shareholders, who will be present at the Tribunal Convened Meeting through VC/ OAVM facility and who would not have not cast their vote by remote e-voting prior to the Tribunal Convened Meeting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the Tribunal Convened Meeting.
- III. Shareholders who have voted through remote e-voting will be eligible to attend the Tribunal Convened Meeting and their presence shall be counted for the purpose of quorum, however such Shareholders shall not be entitled to cast their vote again at the Tribunal Convened Meeting.

General Guidelines for Shareholders

- I. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution / Authority letter etc. whereby their authorized representative has been appointed to attend the Tribunal Convened Meeting on their behalf, to the Company, together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jhr@jhrasso.com with a copy marked to evoting@nsdl.co.in.
- II. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through the “*Forgot User Details/Password?*” or “*Physical User Reset Password?*” option available on www.evoting.nsdl.com to reset the password.

Other Information:

- I. In case of any queries with respect to remote e-voting or e-voting at the Tribunal Convened Meeting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on Toll free no.: 1800-222-990 or can contact NSDL at evoting@nsdl.co.in or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in / 022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.co.in / 022-24994545 or Mr. Sagar Ghosalkar, Assistant Manager – NSDL at sagar.ghosalkar@nsdl.co.in / 022-24994553.
- II. Those persons, who have acquired shares and have become members of the Company after the dispatch of Notice of the Tribunal Convened Meeting by the Company and whose names appear in the Register of Members or Register of beneficial holders as on the cut-off date i.e. Tuesday, 13th October, 2020 shall view the Notice of the Tribunal Convened Meeting on the Company's website or on the website of NSDL.

Such persons may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can cast his/her vote by using existing User ID and password and by following the procedure as mentioned above or by voting at the Tribunal Convened Meeting.
- III. Voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Tuesday, 13th October, 2020. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- IV. Every Client ID No./ Folio No. will have one vote, irrespective of number of joint holders.

Scrutinizer's report and declaration of results

- I. The Scrutinizer shall, after the conclusion of e-voting at the Tribunal Convened Meeting, first count the votes cast vide e-voting at the Tribunal Convened Meeting and thereafter shall, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. He shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty eight) hours of the conclusion of the Tribunal Convened Meeting, to the Chairperson of the Tribunal Convened Meeting or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- II. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.nerolac.com and on the website of NSDL i.e. www.evoting.nsdl.com. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

8. Attending the Tribunal Convened Meeting through VC/OAVM:

Instructions for Shareholders for attending the Tribunal Convened Meeting through VC/OAVM:

- I. Shareholders are being provided with a facility to attend the Tribunal Convened Meeting through VC/ OAVM through the NSDL e-voting system. Shareholders may access the same at www.evoting.nsdl.com under “*shareholders/ members*” login by using the remote e-voting credentials.
- II. The link for VC/ OAVM will be available in “*shareholders/ members*” login where the EVEN of Company will be displayed.
- III. Shareholders who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned hereinabove in the Notice, to avoid last minute rush. Further, Shareholders can also use the OTP based login for logging into the e-voting system of NSDL.
- IV. As mentioned above, the Shareholders can join the Tribunal Convened Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the necessary procedure mentioned in the Notice. The facility of participation at the Tribunal Convened Meeting through VC/ OAVM will be made available for 1,000 Shareholders on ‘first come first serve’ basis. Further, a facility will be provided to the Shareholders attending the meeting through VC/ OAVM, whereby they can pose questions concurrently, during the proceeding of the meeting.
- V. Shareholders who would like to express their views or ask questions during the Tribunal Convened Meeting may register themselves as a speaker by sending their request from their registered Email ID mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at merger@nerolac.com from Wednesday 14th October, 2020 (from 9.00 a.m.) to Friday, 16th October, 2020 (upto 5.00 p.m.). Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the Tribunal Convened Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Tribunal Convened Meeting.
- VI. Please note that Shareholders connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches. Shareholders are also encouraged to join the Meeting through Laptops for better experience.
- VII. Further, Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance in the meeting.

- VIII. Shareholders who need assistance before or during the Tribunal Convened Meeting, can contact NSDL on evoting@nsdl.co.in or contact Mr. Amit Vishal, Senior Manager, NSDL at amitv@nsdl.co.in / 022-24994360 or Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.co.in / 022-24994545 or Mr. Sagar Ghosalkar, Assistant Manager, NSDL at sagar.ghosalkar@nsdl.co.in / 022-24994553.
9. The Shareholders who are holding shares in dematerialized form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their Email ID at the earliest, to enable the Company to use the same for serving documents to them electronically, hereafter. Shareholders holding shares in physical form may kindly provide their Email ID to the Registrar & Transfer Agent of the Company viz. TSR Darashaw Consultants Private Limited, by sending an e-mail at csg-unit@tsrdarashaw.com. The support of the Shareholders for the 'Green initiative' is solicited.
10. Since the Tribunal Convened Meeting will be held through Video Conferencing or Other Audio Visual Means, route map of venue of the Tribunal Convened Meeting and admission slip is not attached to this Notice.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

C.A.(CAA)/4110 /MB/2019

In the matter of the Companies Act, 2013;

And

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

And

In the matter of Scheme of Merger by Absorption amongst Marpol Private Limited ("**Transferor Company No. 1**"); Perma Construction Aids Private Limited ("**Transferor Company No. 2**");

With

Kansai Nerolac Paints Limited ("**the Transferee Company**").

Kansai Nerolac Paints Limited, a company incorporated under the Indian Companies Act, 1913 having its registered office at Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013, Maharashtra.

CIN: L24202MH1920PLC000825

...Applicant Company/ the Transferee Company in C.A.(C.A.A.)/4110/MB/2019

THE EXPLANATORY STATEMENT UNDER SECTIONS 230, 232 AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016, TO THE NOTICE OF THE NATIONAL COMPANY LAW TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF THE APPLICANT COMPANY

1. Pursuant to the order dated 21st February, 2020, in Company Scheme Application No. 4110 of 2019 read with the order dated 4th September, 2020, in Company Application No. 1023 of

2020 (“collectively referred to as the “**Orders**”), passed by the National Company Law Tribunal, Mumbai Bench (“**NCLT**”), the meeting of the equity shareholders of the Applicant Company (“**Tribunal Convened Meeting**”) is being convened on Tuesday, 20th October, 2020, at 12:00 p.m. (IST) through Video Conferencing (“**VC**”)/Other Audio Visual Means (“**OAVM**”) without the physical presence of the Shareholders at a common venue, as per applicable procedure mentioned in the General Circular No. 14/2020 dated 8th April, 2020 read with General Circular No. 17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (the “**MCA**”), for the purpose of considering, and if thought fit, approving, with or without modification(s), Scheme of Merger by Absorption amongst Marpol Private Limited (“**Marpol**”/“**Transferor Company No. 1**”), Perma Construction Aids Private Limited (“**Perma**”/“**Transferor Company No. 2**”) (Transferor Company No. 1 and Transferor Company No. 2 are collectively referred to as “**the Transferor Companies**”) with Kansai Nerolac Paints Limited (“**Nerolac**”/“**the Transferee Company**”/“**Applicant Company**”) and their respective shareholders and creditors on a going concern basis, under the provisions of Sections 230 to 232 of the Companies Act, 2013 (“**the Act**”) and other relevant provisions of the Act and rules framed thereunder (“**Scheme**”).

2. In terms of the said Order, the quorum for the Tribunal Convened Meeting for equity shareholders shall be 30 (thirty) equity shareholders, present themselves through VC/OAVM and if the quorum is not present within half an hour from the time appointed for the holding of the meeting, the members present shall be the quorum and the meeting shall be held. Further in terms of the said Orders, the NCLT has appointed Mr. Pradip Panalal Shah, Chairman of the Board of Directors of the Applicant Company and failing him, Mr. Harishchandra Meghraj Bharuka, Vice Chairman and Managing Director of the Applicant Company and failing him Mr. Noel Naval Tata, Independent Director of the Applicant Company, as the Chairperson of the Tribunal Convened Meeting (“**Chairperson**”) of the Applicant Company including for any adjournment or adjournments thereof. Further, the NCLT has appointed Mr. J. H. Ranade, Membership No. F4317 and Certificate of Practice No. 2520 or failing him, Mr. Sohan J. Ranade, Membership No. A33416 and Certificate of Practice No. 12520 or failing him, Ms. Tejaswi A. Zope, Membership No. A29608 and Certificate of Practice No. 14839, Partners of JHR & Associates, Company Secretaries in Practice, as the Scrutinizer for the Tribunal Convened Meeting (“**Scrutinizer**”), including for any adjournment or adjournments thereof.
3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Act, read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the “**Amalgamation Rules**”).
4. As stated earlier, in terms of the said Orders of NCLT, the Tribunal Convened Meeting is being convened through VC/OAVM as per applicable procedure mentioned in the Circular No. 14/2020 dated 8th April, 2020 read with Circular No. 17/2020 dated 13th April, 2020 issued by the MCA.
5. In terms of the Act and Regulation 44 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the Applicant Company is seeking the approval of equity shareholders to the Scheme by way of voting through remote e-voting or e-voting during the Tribunal Convened

Meeting. Accordingly, the equity shareholders holding shares either in physical form or in dematerialized form as on the cut-off date of 13th October, 2020 would be entitled to cast their vote at the Tribunal Convened Meeting either through remote e-voting or e-voting during the Tribunal Convened Meeting, by availing the facility provided by National Securities Depository Limited (“NSDL”). Further, since the Applicant Company is seeking the approval of equity shareholders to the Scheme by way of remote e-voting or e-voting during the Tribunal Convened Meeting, this notice will be deemed to be issued in accordance with the provisions of the Act and the Listing Regulations.

6. The Scrutinizer appointed for conducting the remote e-voting and e-voting during the Tribunal Convened Meeting will submit his separate report to the Chairperson of the meeting of the equity shareholders of the Applicant Company after completion of the scrutiny of remote e-voting or e-voting during the Tribunal Convened Meeting so as to announce the results of the voting exercised by the equity shareholders of the Applicant Company.
7. In accordance with the provisions of Sections 230 - 232 of the Act read with the Amalgamation Rules, the Scheme shall be acted upon only if majority of equity shareholders representing three fourth in value of the equity shareholders of the Applicant Company, voting by remote e-voting or e-voting, available prior to and during the Tribunal Convened Meeting respectively, agree to the Scheme.
8. The Scheme provides for merger by absorption of Marpol Private Limited and Perma Construction Aids Private Limited with Kansai Nerolac Paints Limited in accordance with Section 2(1B) of the Income Tax Act, 1961 (“**Amalgamation**”) with effect from 1st July, 2019 (“**Appointed Date**”).

9. **BACKGROUND OF THE COMPANIES**

9.1. **Kansai Nerolac Paints Limited (“Nerolac”/“Transferee Company”)**

9.1.1. **Corporate Details of Nerolac**

Particulars	Details
Corporate Identification Number (CIN)	L24202MH1920PLC000825
Permanent Account Number (PAN)	AAACG1376N
Date of Incorporation	September 2, 1920
Type of Company	Listed Public Limited Company. The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited.
Registered Office Address	Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013, Maharashtra
Details of change of Name, Registered Office and Objects of the Company during the last five years	Not Applicable
E-mail Address	gtgovindarajan@nerolac.com
Relationship with the Parties to the Scheme	Nerolac is the holding company of Marpol and Perma. Perma and Marpol are wholly owned subsidiaries of Nerolac.

9.1.2. Share Capital of Nerolac

- The pre-scheme share capital of Nerolac as on June 30, 2020 is as under:

Particulars	Amount (Rs.)
Authorised Share Capital	
60,00,00,000 Equity Shares of Re. 1 each	60,00,00,000
Total	60,00,00,000
Issued, Subscribed and Paid-up Share Capital	
53,89,19,720 Equity Shares of Re. 1 each	53,89,19,720
Total	53,89,19,720

- Subsequent to June 30, 2020, there has been no change in the authorised, issued, subscribed and paid-up share capital of Nerolac.
- The pre-scheme equity shareholding pattern of Nerolac as on June 30, 2020 is as under:

Sr. No.	Name of the Equity Shareholder(s)	Pre-Amalgamation as on June 30, 2020	
		No. of Equity Shares held	% to Paid up Share Capital
A	Shareholding Pattern of the Promoter & Promoters Group		
(A1)	Individuals/Hindu undivided Family	–	–
(A2)	Body Corporate	40,41,35,898	74.99%
Total Shareholding of Promoter & Promoters Group A = (A1+A2) and Promoters group		40,41,35,898	74.99%
B	Public Shareholdings		
(B1)	Institutions	8,66,04,260	16.07%
	Sub Total B1	8,66,04,260	16.07%
(B2)	Central Government/State Government(s)/Presidents of India	–	–
(B3)	Non-Institutions	4,81,79,562	8.94%
	Sub-total B3	4,81,79,562	8.94%
Total Public Shareholding B = B1+B2+B3		13,47,83,822	25.01%
Total Shareholding (A+B)		53,89,19,720	100.00

9.1.3. Business and Objects of Nerolac

- Nerolac is principally engaged in the manufacturing of paints.
- The main objects of Nerolac are 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 Nerolac. A few of the main objects as stated in the Memorandum of Association of Nerolac 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, Thickeners, 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 be 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.

9.2. Marpol Private Limited (“Marpol”/“Transferor Company No. 1”)

9.2.1. Corporate Details of Marpol

Particulars	Details
Corporate Identification Number (CIN)	U24222GA1983PTC000532
Permanent Account Number (PAN)	AACCM2018D
Date of Incorporation	April 5, 1983
Type of Company	Private Limited Company
Registered Office Address	Panandiker Chambers, 1st Floor, M.L. Furtado Road, Margao, Goa - 403601
Details of change of Name, Registered Office and Objects of the Company during the last five years	Not Applicable
E-mail Address	marpol@marpolind.com
Relationship with the Parties to the Scheme	Marpol is a wholly owned subsidiary of Nerolac.

9.2.2. Share Capital of Marpol

- The pre-scheme share capital of Marpol as on June 30, 2020 is as under:

Particulars	Amount (Rs)
Authorised Share Capital	
50,00,000 Equity Shares of Rs. 10 each	5,00,00,000
Total	5,00,00,000
Issued, Subscribed and Paid-up Share Capital	
29,95,200 Equity Shares of Rs. 10/- each	2,99,52,000
Total	2,99,52,000

- Subsequent to June 30, 2020, there has been no change in the authorised, issued, subscribed and paid-up share capital of Marpol. The entire paid up share capital of Marpol is held by Nerolac
- The pre-scheme shareholding pattern of Marpol as on June 30, 2020 is as under:

Sr. No.	Name of Shareholder(s)	No. of Shares	% of Paid up Share Capital
A.	Kansai Nerolac Paints Limited	29,95,199	100%
B.	Kansai Nerolac Paints Limited jointly held with Mr. Prashant Devidas Pai	1	–
TOTAL (A+B)		29,95,200	100%

- Post Scheme share capital and shareholding pattern of Marpol is not required as Marpol is getting merged with Nerolac.

9.2.3. Business and Objects of Marpol

- Marpol is principally engaged in manufacture of powder coatings.
- 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 bourn coatings, water reductible 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, photographical, surgical and scientific apparatus and materials.

9.3. Perma Construction Aids Private Limited (“Perma”/“Transferor Company No. 2”)

9.3.1. Corporate Details of Perma

Particulars	Details
Corporate Identification Number (CIN)	U45201GJ1997PTC032104
Permanent Account Number (PAN)	AABCP4353K
Date of Incorporation	April 11, 1997
Type of Company	Private Limited Company
Registered Office Address	Unit-II Plot No. 3102, GIDC Sarigam Valsad Gujarat - 396155
Details of change of Name, Registered Office and Objects of the Company during the last five years	Not Applicable
E-mail Address	info@permaindia.com
Relationship with the Parties to the Scheme	Perma is a wholly owned subsidiary of Nerolac.

9.3.2. Share Capital of Perma

- The pre-scheme share capital of Perma as on June 30, 2020 is as under:

Particulars	Amount (Rs)
Authorised Share Capital	
15,00,000 Equity Shares of Rs. 10 each	1,50,00,000
Total	1,50,00,000
Issued, Subscribed and Paid-up Share Capital	
9,90,000 Equity Shares of Rs. 10/- each	99,00,000
Total	99,00,000

- Subsequent to June 30, 2020, there has been no change in the authorised, issued, subscribed and paid-up share capital of Perma. The entire paid up share capital of Perma is held by Nerolac.
- The pre-scheme shareholding pattern of Perma as on June 30, 2020 is as under:

Sr. No.	Name of Shareholder(s)	No. of Shares	% of Paid up Share Capital
A.	Kansai Nerolac Paints Limited	9,89,999	100%
B.	Kansai Nerolac Paints Limited jointly held with Mr. Prashant Devidas Pai	1	–
TOTAL (A+B)		9,90,000	100%

- Post Scheme share capital and shareholding pattern of Perma is not required as Perma is getting merged with Nerolac.

9.3.3. Business and Objects of Perma

- Perma is principally engaged in the business of construction chemicals.
- 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.

10. **RATIONALE OF THE SCHEME AND BENEFITS TO COMPANY, MEMBERS, CREDITORS AND OTHERS**

The Scheme of Merger by Absorption will provide benefits of synergy, economies of scale, growth and expansion.

11. **SALIENT FEATURES OF THE SCHEME:**

11.1. 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**

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.”

12. **APPROVALS AND SUPPORTING DOCUMENTS**

12.1. The Board of Directors of Nerolac, Marpol and Perma at their respective meetings held on 29th July, 2019, 25th July, 2019 and 26th July, 2019, have unanimously approved the Scheme. Further, in compliance with provisions of Section 232(2)(c) of the Act, the Board of Directors of Nerolac, Marpol and Perma have adopted a report, *inter alia*, explaining the effect of the Scheme on each class of shareholders, promoters and non-promoter shareholders and key managerial personnel. Copy of the report adopted by the Board of Directors is attached to the notice.

12.2. In accordance with the Paragraph 7 of SEBI circular bearing No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (“**SEBI Circular**”), Nerolac has filed the draft of the Scheme with BSE Limited and the National Stock Exchange of India Limited for the purpose of disclosures and BSE Limited and the National Stock Exchange of India Limited shall disseminate the scheme documents on their respective websites.

12.3. The certificate is issued by the Statutory Auditor of Nerolac to the effect that the accounting treatment, proposed in the Scheme is in conformity with the applicable Accounting Standards/Indian Accounting Standards prescribed under the Act read with relevant rules. The auditor’s certificate stated above is available for inspection on the website of the Company i.e. www.nerolac.com.

12.4. Notice under Section 230(5) of the Act is being given to/filed with the Central Government through the office of Regional Director, Registrar of Companies and Income Tax Authorities in respect of all Companies and Official Liquidator in case of Marpol and Perma for their representation/approval to the Scheme.

12.5. The Scheme is being/has been filed with the Registrar of Companies in terms of the requirement under Section 232(2)(b) of the Act.

12.6. On the Scheme being approved by the requisite majority of the shareholders of the respective companies involved in the Scheme as per the requirement of Section 230 of the Act, all the Companies will file petitions with the NCLT at Mumbai and NCLT at Ahmedabad respectively for sanction of the Scheme.

13. DIRECTORS, PROMOTERS AND KEY MANAGERIAL PERSONNEL

13.1. None of the Directors, Promoters, Key Managerial Personnel (as defined under the Act and rules formed thereunder) of Nerolac, Marpol, Perma and their respective relatives (as defined under the Act and rules formed thereunder) and Promoters, have any financial interest, material or otherwise, in the Scheme except to the extent of shares held by them in the Applicant Company. The effect of the Scheme on the interests of the Directors, Promoters and Key Managerial Personnel and their relatives and Promoters, is not different from the effect of the Scheme on other shareholders of Nerolac.

13.2. The details of the Directors, Key Managerial Personnel and Promoters of Nerolac, Marpol and Perma along with the shareholding as on June 30, 2020 are as follows: -

13.2.1. Kansai Nerolac Paints Limited:

• **Directors details:**

Sr. No.	Name of Directors	Designation/Date of Appointment/Age	Address	No. of Shares in Nerolac	No. of Shares in Marpol	No. of Shares in Perma
1.	Mr. Pradip Panalal Shah (DIN-00066242)	Designation – Chairman (Independent Director) Date of appointment- 30-01-2007 (appointed as an independent director with effect from 30th January, 2015, in terms of the Companies Act, 2013) Age-67 years	72A Embassy Apartments, 7th Floor, Napean Sea Road, Mumbai-400006, Maharashtra	Nil	Nil	Nil
2.	Mr. Harishchandra Meghraj Bharuka (DIN-00306084)	Designation - Vice Chairman and Managing Director Date of appointment- 01-04-2001 Age-60 years	A-11. Twin Towers Premises CHS Ltd, Off Veer Savarkar Marg, Prabhadevi, Mumbai-400025 Maharashtra	Nil	Nil	Nil

Sr. No.	Name of Directors	Designation/Date of Appointment/Age	Address	No. of Shares in Nerolac	No. of Shares in Marpol	No. of Shares in Perma
3.	Mr. Noel Naval Tata (DIN-00024713)	Designation - Independent Director Date of appointment- 27-10-2007 (appointed as an independent director with effect from 30th January, 2015, in terms of the Companies Act, 2013) Age-63 years	55 Windmere, 5th Floor, Cuffe Parade, Colaba, Mumbai-400005, Maharashtra	Nil	Nil	Nil
4.	Mr. Anuj Jain (DIN-08091524)	Designation - Executive Director Date of appointment 01-04-2018 Age-51 years	B-207, Nestle 1, P.B.Marg Near Deepak Talkies, Lower Parel, Mumbai-400013, Maharashtra	13,560	Nil	Nil
5.	Mr. Hitoshi Nishibayashi (DIN-03169150)	Designation - Non Executive Director Date of appointment- 29-07-2019 Age-57 years	7-6-14 Okamoto, Higashinada-Ku, Hyogo-Ken, Kobe 6580072, Japan	Nil	Nil	Nil
6.	Ms. Sonia Singh (DIN-07108778)	Designation - Independent Director Date of appointment- 29-07-2019 Age-56 years	2007 North, the Imperial, B.B. Nakashe Marg, Tardeo, Mumbai-400034	Nil	Nil	Nil
7.	Mr. S. Takahara (DIN-08736626)	Designation - Non Executive Director Date of appointment- 07-05-2020 Age-61 years	5-10, Nougaya, Machida-shi Tokyo-1950053, Japan	Nil	Nil	Nil
8.	Mr. T. Tomioka (DIN-08736654)	Designation - Non Executive Director Date of appointment- 07-05-2020 Age-48 years	2-1488-3, Owada-Cho, Minuma-Ku, Saitama-Shi, Saitama-3370053, Japan	Nil	Nil	Nil

• **Key Managerial Personnel details:**

Sr. No.	Name of Key Managerial Personnel#	Designation	No. of Shares in Nerolac	No. of Shares in Marpol	No. of Shares in Perma
1.	Mr. Harishchandra Meghraj Bharuka	Vice Chairman and Managing Director	Nil	Nil	Nil
2.	Mr. Anuj Jain	Executive Director	13,560	Nil	Nil
3.	Mr. Prashant Devidas Pai	Chief Financial Officer	Nil	1*	1*
4.	Mr. G.T. Govindarajan	Company Secretary	Nil	Nil	Nil

* Shares jointly held with Kansai Nerolac Paints Limited

Key Managerial Personnel in terms of Section 203 of the Companies Act, 2013

• **Promoters details:**

Sr. No.	Name of Promoter	Address	No. of Shares in Nerolac	No. of Shares in Marpol	No. of Shares in Perma
1.	Kansai Paint Co. Ltd., Japan	6 - 14, Imabashi 2 - Chome, Chuo-Ku, Osaka 541 – 8523, Japan	40,41,35,898	Nil	Nil

13.2.2. **Marpol Private Limited:**

• **Directors details:**

Sr. No.	Name of Directors	Designation/ Date of Appointment/ Age	Address	No. of Shares in Nerolac	No. of Shares in Marpol	No. of Shares in Perma
1.	Mr. Rohit Ramchandra Pai Panandiker (DIN-00559055)	Designation - Director Date of appointment - 24-09-2010 Age-51 years	H. No: 262, Minguel Loyola Furtado Road, Margao-403601, Goa	Nil	Nil	Nil

Sr. No.	Name of Directors	Designation/ Date of Appointment/ Age	Address	No. of Shares in Nerolac	No. of Shares in Marpol	No. of Shares in Perma
2.	Mr. Prashant Devidas Pai (DIN-08115481)	Designation - Director Date of appointment - 20.04.2018 Age-57 years	A/206, Vrindavan, V M Ghanekar Road Vile Parle East Mumbai-400057, Maharashtra	Nil	1*	1*
3.	Mr. G.T. Govindarajan (DIN-08105268)	Designation - Director Date of appointment - 07.04.2018 Age-55 years	F-203, Lloyds Estate, V.I.T. College Marg, Wadala East, Mumbai-400037, Maharashtra	Nil	Nil	Nil

* Shares jointly held with Kansai Nerolac Paints Limited

Marpol does not have Key Managerial Personnel in terms of Section 203 of the Companies Act, 2013.

• **Promoters details:**

Sr. No.	Name of Promoter (Holding Company)	Address	No. of Shares in Nerolac	No. of Shares in Marpol	No. of Shares in Perma
1.	Kansai Nerolac Paints Limited	Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013	NA	29,95,199	9,89,999
2.	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.	NA	1	1

13.2.3. Perma Construction Aids Private Limited:

• Directors details:

Sr. No.	Name of Directors	Designation/ Date of Appointment/ Age	Address	No. of Shares in Nerolac	No. of Shares in Marpol	No. of Shares in Perma
1.	Mr. Charles Jeyasingh Augustine (DIN-00350686)	Designation - Director Date of appointment- 11-04-1997 Age-59 years	F-103, Prithvi Classic, Modi Park, Iraniwadi, Road No-3 Mumbai, Kandivali West, Mumbai-400067, Maharashtra	Nil	Nil	Nil
2.	Mr. Mohammad Abdul Waheed (DIN-00352600)	Designation- Director Date of appointment- 11-04-1997 Age-68 years	6-B/702, Neelam Nagar, 90 Feet Road, Mumbai Mulund East, Mumbai-400081, Maharashtra	Nil	Nil	Nil
3.	Mr. Anuj Jain (DIN-08091524)	Designation- Director Date of appointment- 25-04-2019 Age-51 years	B-207, Nestle 1, P.B. Marg Near Deepak Talkies, Lower Parel, Mumbai-400013, Maharashtra	13,560	Nil	Nil
4.	Mr. Prashant Devidas Pai (DIN-08115481)	Designation - Director Date of appointment- 25-04-2019 Age-57 years	A/206, Vrindavan, V M Ghanekar Road Vile Parle East Mumbai-400057, Maharashtra	Nil	1*	1*

* Shares jointly held with Kansai Nerolac Paints Limited

Perma does not have Key Managerial Personnel in terms of Section 203 of the Companies Act, 2013.

• Promoters details:

Sr. No.	Name of Promoter (Holding Company)	Address	No. of Shares in Nerolac	No. of Shares in Marpol	No. of Shares in Perma
1.	Kansai Nerolac Paints Limited	Nerolac House, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013	NA	29,95,199	9,89,999
2.	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.	NA	1	1

14. The pre-Scheme shareholding pattern of Nerolac, Marpol and Perma is disclosed in para 9.1.2, 9.2.2 and 9.3.2 respectively, above. The post scheme shareholding pattern of Marpol and Perma is not applicable since both companies will get amalgamated with Nerolac. Also, the post Scheme shareholding pattern of Nerolac will not change since Scheme does not involve any issuance of new shares. The post Scheme issued and paid-up share capital of Nerolac will not change.
15. Statement disclosing further details of Amalgamation as per Section 230 (3) of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 is as under:

Sr. No.	Particulars	Nerolac	Marpol	Perma
1.	Relationship subsisting between such companies			
	Nature of Relationship	Holding Company of Marpol and Perma	Wholly Owned Subsidiary of Nerolac	Wholly Owned Subsidiary of Nerolac
2.	The date of board meeting at which the scheme was approved by the board of directors including the <u>name of directors</u> who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution			
	Voting Pattern & Related information	The Board Meetings of Nerolac, Marpol and Perma were held on 29th July, 2019, 25th July, 2019 and 26th July, 2019 respectively. All the directors present in the Board Meetings, voted in the favour of the Scheme. (for details refer point nos. 16, 17 and 18)		

Sr. No.	Particulars	Nerolac	Marpol	Perma
3.	Disclosure about effect of the amalgamation on			
	Key Managerial Personnel (KMP) (other than Directors)	No effect	Shall cease to be key managerial personnel in Marpol	Shall cease to be key managerial personnel in Perma
	Directors	No effect	Shall cease to be Directors in Marpol	Shall cease to be Directors in Perma
	Promoters	No effect	Not Applicable, being wholly owned subsidiary of Nerolac.	Not Applicable, being wholly owned subsidiary of Nerolac.
	Non-Promoter Members	No effect	Not Applicable	Not Applicable
	Deposit Holders	Not applicable	Not Applicable	Not Applicable
	Creditors	No effect	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
	Debenture Holders	Not Applicable	Not Applicable	Not Applicable
	Deposit Trustee & Debenture Trustee	Not Applicable	Not Applicable	Not Applicable
	Employees of the Company	No Effect	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 the same terms and conditions as are no less favourable than existing conditions without any interruption of service upon amalgamation with Nerolac
4.	Disclosure about effect of amalgamation on material interest of Directors, Key Managerial Personnel (KMP) and debenture trustee			
	Nature of effect, if any	No material effect of amalgamation	No material effect of amalgamation	No material effect of amalgamation
5.	Details of capital or debt restructuring, if any			
	Adjustment of securities premium account	Not Applicable	Not Applicable	Not Applicable.
6.	Amount due to unsecured Creditors as of June 30, 2020			
		Rs. 2,35,58,25,987	Rs. 10,59,17,964	Rs. 2,55,60,634
7.	Investigation or proceedings, if any, pending against the company under Sections 235 to 251 of the Companies Act 1956 and Sections 210 to 229 of the Act			
		<i>NIL</i>	<i>NIL</i>	<i>NIL</i>

16. Details of Directors of Nerolac who voted in favour/against/did not participate on resolution passed at the meeting of the Board of Directors of Nerolac held on 29th July, 2019 are given below:

Sr. No.	Name of Director	Voted for the Resolution	Voted Against the Resolution	Did not Vote or Participate
1.	Mr. Pradip Panalal Shah	Yes	–	–
2.	Mr. Harishchandra Meghraj Bharuka	Yes	–	–
3.	Mr. Noel Naval Tata	Yes	–	–
4.	Mr. Hidenori Furukawa	Yes	–	–
5.	Mr. Anuj Jain	Yes	–	–
6.	Mr. Hideshi Hasebe	Yes	–	–
7.	Mr. Hitoshi Nishibayashi	Yes	–	–
8.	Ms. Sonia Singh	Yes	–	–

17. Details of Directors of Marpol who voted in favour/against/did not participate on resolution passed at the meeting of the Board of Directors of Marpol held on 25th July, 2019 are given below:

Sr. No.	Name of Director	Voted for the Resolution	Voted Against the Resolution	Did not Vote or Participate
1.	Mr. Rohit Ramchandra Pai Panandiker	Yes	–	–
2.	Mr. Prashant Devidas Pai	Yes	–	–
3.	Mr. G.T. Govindarajan	Yes	–	–

18. Details of Directors of Perma who voted in favour/against/did not participate on resolution passed at the meeting of the Board of Directors of Perma held on 26th July, 2019 are given below:

Sr. No.	Name of Director	Voted for the Resolution	Voted Against the Resolution	Did not Vote or Participate
1.	Mr. Charles Jeyasingh Augustine	Yes	–	–
2.	Mr. Mohammad Abdul Waheed	Yes	–	–
3.	Mr. Anuj Jain	Yes	–	–
4.	Mr. Prashant Devidas Pai	Yes	–	–

19. INSPECTION OF DOCUMENTS

In addition to the documents annexed hereto, copies of the following documents shall be open for inspection in the website of the Company at www.nerolac.com :

- a) Copy of the order passed by the National Company Law Tribunal, Mumbai Bench, in Company Scheme Application Nos. 4110 and 4111, dated 21st day of February, 2020;
- b) Copy of the order passed by the National Company Law Tribunal, Mumbai Bench, in Company Scheme Application No. 1023 of 202, dated 4th September, 2020;
- c) Copy of the orders passed by the National Company Law Tribunal, Ahmedabad Bench, in Company Scheme Application No. 7 of 2019, dated 16th March, 2020 and 18th March, 2020;

- d) Memorandum of Association and Articles of Association of Nerolac, Marpol and Perma;
- e) Copy of the Company Scheme Application filed by Nerolac before the NCLT, Mumbai Bench bearing No. C.A.(CAA)/4110/MB/2019;
- f) Copy of the Company Scheme Application filed by Marpol before the NCLT, Mumbai Bench bearing No. C.A.(CAA)/4111/MB/2019;
- g) Copy of the Company Scheme Application filed by Perma before the NCLT, Ahmedabad Bench bearing No. C.A.(CAA) 7/230-232/NCLT/AHM/2020;
- h) Certified true copies of the resolutions passed by the Board of Directors of Nerolac, Marpol and Perma approving the Scheme at their respective meetings held on 29th July, 2019, 25th July, 2019 and 26th July, 2019 respectively;
- i) Annual reports of Nerolac of last 3 years, Annual reports of Marpol of last 2 years, Annual reports of Perma of last 1 year including audited financial statements of Nerolac, Marpol and Perma as at 31st March, 2020;
- j) Pre-Scheme Net worth Certificate from independent Chartered Accountant for Nerolac, Marpol and Perma and Post Scheme Net worth Certificate from independent Chartered Accountant for Nerolac;
- k) Certificate issued by the Statutory Auditor of Nerolac with respect to the accounting treatment disclosed in the Scheme is in compliance with the applicable Accounting Standards/Indian Accounting Standards; and
- l) Register of Directors' shareholding of Nerolac.

A copy of the Scheme, Explanatory Statement, may be downloaded from the website of the Applicant Company (<http://www.nerolac.com>).

P. P. SHAH
DIN : 00066242
Chairperson appointed by
NCLT for the meeting.

Date: 11th September, 2020

Place: Mumbai

Registered Office: Nerolac House, Ganpatrao Kadam Marg, Lower Parel,
Mumbai-400 013, Maharashtra.
Tel: +91-22-24934001
Fax: +91-22-24936296

**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 5th 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 6th 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 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 borne 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, photographical, 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, Margao 403601, Goa
2.	Mr. Prashant Devidas Pai	08115481	A/206, Vrindavan, V M Ghanekar Road Vile Parle East Mumbai 400057, Maharashtra
3.	Mr. G.T. Govindarajan	08105268	F-203, Lloyds Estate, V.I.T. College Marg, Wadala East, Mumbai 400037, Maharashtra

- (b) Perma Construction Aids Private Limited (**Perma**) was incorporated on 11th 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.

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, Kandivali West, Mumbai 400067, Maharashtra
2.	Mr. Mohammad Abdul Waheed	00352600	6-B/702, Neelam Nagar, 90 Feet Road, 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 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 gtgovindarajan@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 be 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 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 straping 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, trade marks 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

Issued, Subscribed and Paid-up Share Capital:

53,89,19,720 Equity Shares of Re. 1 each Rs. 53,89,19,720

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:

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 th 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, Maharashtra.

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 25th July, 2019, 26th July, 2019 and 29th 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

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 30th September, 2019, Marpol has 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 30th September, 2019, Perma has 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 30th September, 2019, Nerolac does not have any secured creditor 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 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 30TH SEPTEMBER, 2019 IS AS UNDER:

13.1. MARPOL

Financial Statement of Marpol as on 30th September, 2019 is as under:

Particulars	Amount (Rs. in Crores)	Amount (Rs. in Crores)
Assets		
Non-Current Assets		
Property, Plant and Equipment	6.39	
Capital Work-in-progress	3.43	
Other Intangible Assets	0.07	
		9.89
Current Tax Assets (Net)		0.07
Total Non-current Assets		9.96
Current Assets		
Inventories		13.60
Financial Assets		
Trade Receivables	16.14	
Cash and Cash Equivalents	0.05	
Bank Balances other than cash and cash Equivalents	-	
Loans	0.09	
		16.28
Other Current Assets		0.34
Total current Assets		30.22
Total Assets		40.18
Equity and Liabilities		
Equity Share Capital	3.00	
Reserves and surplus	7.74	
Total Equity		10.74
Liabilities		
Non-current Liabilities		
Deferred Tax Liabilities (Net)	0.03	
Total Non-current Liabilities		0.03
Current Liabilities		
Financial Liabilities		
Borrowings	12.59	
Trade Payables	15.96	
Other Financial Liabilities	0.32	
		28.87
Other Current Liabilities	0.19	
Provisions	0.35	
Total Current Liabilities		29.41
Total Liabilities		29.44
Total Equity and Liabilities		40.18

Following are the Shareholders of Marpol as on 30th September, 2019:

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	-
	TOTAL		29,95,200	10	2,99,52,000	100%

13.2. PERMA

Financial Statement of Perma as on 30th September, 2019 is as under:

Particulars	Amount (Rs. in Crores)
Assets	
Non-Current Assets	
Property, Plant and Equipment	3.12
	3.12
Financial Assets	
Loans	0.12
	0.12
Total Non-current Assets	3.24
Current Assets	
Inventories	2.76
Financial Assets	
Trade Receivables	6.13
Cash and Cash Equivalents	2.27
	8.40
Other Current Assets	1.13
Total current Assets	12.29
Total Assets	15.53
Equity and Liabilities	
Equity	
Equity Share Capital	0.99
Other Equity	11.28
Equity attributable to Equity Holders of the Holding Company	12.27
Total Equity	12.27
Liabilities	
Non-current Liabilities	
Deferred Tax Liabilities (Net)	0.05
Total Non-current Liabilities	0.05
Current Liabilities	
Financial Liabilities:	
Trade Payables	
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
Provisions	0.33
Current Tax Liabilities (Net)	0.05
Total Current Liabilities	3.21
Total Liabilities	3.26
Total Equity and Liabilities	15.53

Following are the Shareholders of Perma as on 30th 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 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	–
TOTAL		9,90,000	10	99,00,000	100%

13.3. NEROLAC

Financial Statement of Nerolac as on 30th September, 2019 is as under

Particulars	Amount (Rs. in Crores)	Amount (Rs. in Crores)
Assets		
Non-Current Assets		
Property, Plant and Equipment	1513.24	
Capital Work-in-progress	184.78	
Right of Use Assets (ROU)	51.84	
Investment Property	0.18	
Other Intangible Assets	2.69	
		1752.73
Financial Assets:		
Investments	138.08	
Loans	14.34	
		152.42
Current Tax Assets (Net)		112.20
Other Non-current Assets		217.67
Total Non-current Assets		2235.02
Current Assets		
Inventories		928.92
Financial Assets		
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	76.00	
		1167.73
Other Current Assets		114.06
Total current Assets		2210.71
Total Assets		4445.73

Particulars	Amount (Rs. in Crores)	Amount (Rs. in Crores)
Equity and Liabilities		
Equity Share Capital	53.89	
Other Equity	3539.02	
Total Equity		3592.91
Liabilities		
Non-current Liabilities		
Financial Liabilities :		
Borrowings	–	
Lease Liabilities	47.04	
Deferred Tax Liabilities (Net)	74.32	
Total Non-current Liabilities		121.36
Current Liabilities		
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	552.73	
	555.27	
Other Financial Liabilities	96.77	
		662.75
Other Current Liabilities		29.15
Provisions		17.67
Current Tax Liabilities (Net)		21.89
Total Current Liabilities		731.46
Total Liabilities		852.82
Total Equity and Liabilities		4445.73

Following are the Shareholders of Nerolac as on 30th 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%
	TOTAL	53,89,19,720	1	53,89,19,720	100%

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 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 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.

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
Key Managerial personnel	Shall cease to be key managerial personnel in Marpol.	Shall cease to be key managerial personnel in Perma	No Effect
Directors	Shall cease to be directors in Marpol	Shall cease to be directors in Perma	No Effect
Promoters	Not Applicable, being wholly owned subsidiary of Nerolac.	Not Applicable, being wholly owned subsidiary of Nerolac	No Effect
Non-Promoter members	Not Applicable	Not Applicable	No Effect
Depositors	Not Applicable	Not Applicable	No Effect
Creditors	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
Debenture holders	Not Applicable	Not Applicable	Not Applicable
Deposit Trustee and Debenture trustee	Not Applicable	Not Applicable	Not Applicable
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

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. Prashant Devidas Pai	Mr. Noel Naval Tata
			Mr. Masaru Tanaka
			Mr. Hidenori Furukawa
			Mrs. Brinda Anand Somaya
			Mr. Katsuhiko Kato
	Mr. Anuj Jain		
As provided in the above Clause			

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

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 <i>(resigned subsequent to the Appointed Date)</i>	Not Applicable	Not Applicable
Mr. Hidenori Furukawa	Not Applicable	Not Applicable
Mrs. Brinda Anand Somaya <i>(resigned subsequent to the Appointed Date)</i>	Not Applicable	Not Applicable
Mr. Katsuhiko Kato <i>(resigned subsequent to the Appointed Date)</i>	Not Applicable	Not Applicable
Mr. Anuj Jain	Not Applicable	Director in Perma
Mr. Hideshi Hasebe <i>(appointed as director subsequent to the Appointed Date)</i>	Not Applicable	Not Applicable
Mr. Hitoshi Nishibayashi <i>(appointed as director subsequent to the Appointed Date)</i>	Not Applicable	Not Applicable
Ms. Sonia Singh <i>(appointed as director subsequent to the Appointed Date)</i>	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		

Inter-se relation of the directors of Marpol with the 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 31st 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.

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF KANSAI NEROLAC PAINTS LIMITED PURSUANT TO THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 IN THE SCHEME OF MERGER BY ABSORPTION INVOLVING MARPOL PRIVATE LIMITED, PERMA CONSTRUCTION AIDS PRIVATE LIMITED AND KANSAI NEROLAC PAINTS LIMITED.

1. Background

- 1.1. A meeting of the Board of Directors (“**Board**”) of Kansai Nerolac Paints Limited was held on 29th July, 2020, wherein the Board approved the proposed Scheme of Merger by Absorption (“**Scheme**”) for the proposed restructuring amongst Marpol Private Limited (“**Marpol**”), Perma Construction Aids Private Limited (“**Perma**”) with Kansai Nerolac Paints Limited (“**Nerolac**”) under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013, as applicable (“**Scheme**”). The Appointed date for Amalgamation under the Scheme is 1st July, 2019.
- 1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non- promoter shareholders laying out in particular the share exchange ratio, specifying any special valuation difficulties has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3. The present Scheme involves the merger of two wholly owned subsidiaries i.e. Marpol and Perma with its parent company i.e. Nerolac and no shares of Nerolac will be issued on the merger of Marpol and Perma with Nerolac. Therefore, there is no requirement for a share exchange ratio or valuation certificate.
- 1.4. For the purpose of this report, the Board has, inter-alia, considered the following documents:
 - (a) Draft Scheme, duly initialed by the Company Secretary of the Company for the purpose of identification.
 - (b) Certificate dated 12th December, 2019 from S R B C & CO LLP, Chartered Accountants, Statutory Auditors of Nerolac, confirming that the accounting treatment contained in the Scheme is in compliance with Accounting Standards prescribed under section 133 of the Companies Act, 2013.

2. Impact on key stakeholders

a) Merger of Marpol with Nerolac:

Marpol is a wholly owned subsidiary of Nerolac. Hence, no shares of Nerolac shall be issued on the merger of Marpol with Nerolac. Thus, there will be no adverse effect of the said Scheme on the Equity Shareholders, Key managerial personnel, Promoters and Non-Promoter shareholders of Nerolac.

b) Merger of Perma with Nerolac:

Perma is a wholly owned subsidiary of Nerolac. Hence, no shares of Nerolac shall be issued on the merger of Perma with Nerolac. Thus, there will be no adverse effect of the said Scheme on the Equity Shareholders, Key managerial personnel, Promoters and Non-Promoter shareholders of Nerolac.

By Order of the Board of Directors

Kansai Nerolac Paints Limited

P. P. Shah

Chairman

DIN : 00066242

11th September, 2020

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MARPOL PRIVATE LIMITED PURSUANT TO THE PROVISIONS OF SECTION 232(2) (C) OF THE COMPANIES ACT, 2013 IN THE SCHEME OF MERGER BY ABSORPTION INVOLVING MARPOL PRIVATE LIMITED, PERMA CONSTRUCTION AIDS PRIVATE LIMITED AND KANSAI NEROLAC PAINTS LIMITED.

1. Background

- 1.1. A meeting of the Board of Directors (“**Board**”) of Marpol Private Limited was held on 25th July, 2019, wherein the Board approved the proposed Scheme of Merger by Absorption (“**Scheme**”) for the proposed restructuring amongst Marpol Private Limited (“**Marpol**”), Perma Construction Aids Private Limited (“**Perma**”) with Kansai Nerolac Paints Limited (“**Nerolac**”) under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013, as applicable (“**Scheme**”). The Appointed date for Amalgamation under the Scheme is 1st July, 2019.
- 1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non- promoter shareholders laying out in particular the share exchange ratio, specifying any special valuation difficulties has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3. The present Scheme involves the merger of two wholly owned subsidiaries i.e. Marpol and Perma with its parent company i.e. Nerolac and no shares of Nerolac will be issued on the merger of Marpol and Perma with Nerolac. Therefore, there is no requirement for a share exchange ratio or valuation certificate.
- 1.4. For the purpose of this report, the Board has, inter-alia, considered the Draft Scheme, duly initialed by the Director of the Company for the purpose of identification.

2. Impact on key stakeholders

a) Merger of Marpol with Nerolac:

Marpol is a wholly owned subsidiary of Nerolac. Hence, no shares of Nerolac shall be issued on the merger of Marpol with Nerolac. Thus, there will be no adverse effect of the said Scheme on the Equity Shareholders, Key managerial personnel, Promoters and Non-Promoter shareholders of Marpol.

b) Merger of Perma with Nerolac:

Perma is a wholly owned subsidiary of Nerolac. Hence, no shares of Nerolac shall be issued on the merger of Perma with Nerolac. Thus, there will be no adverse effect of the said Scheme on the Equity Shareholders, Key managerial personnel, Promoters and Non-Promoter shareholders of Marpol.

By Order of the Board of Directors

Marpol Private Limited

Prashant Devidas Pai

Director

DIN : 08115481

11th September, 2020

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF PERMA CONSTRUCTION AIDS PRIVATE LIMITED PURSUANT TO THE PROVISIONS OF SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 IN THE SCHEME OF MERGER BY ABSORPTION INVOLVING MARPOL PRIVATE LIMITED, PERMA CONSTRUCTION AIDS PRIVATE LIMITED AND KANSAI NEROLAC PAINTS LIMITED.

1. Background

- 1.1. A meeting of the Board of Directors (“**Board**”) of Perma Construction Aids Private Limited was held on 26th July, 2019, wherein the Board approved the proposed Scheme of Merger by Absorption (“**Scheme**”) for the proposed restructuring amongst Marpol Private Limited (“**Marpol**”), Perma Construction Aids Private Limited (“**Perma**”) with Kansai Nerolac Paints Limited (“**Nerolac**”) under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013, as applicable (“**Scheme**”). The Appointed date for Amalgamation under the Scheme is 1st July, 2019.
- 1.2. In terms of Section 232(2)(c) of Companies Act, 2013, a report from the Board of the Company explaining the effect of the compromise on each class of shareholders, key managerial personnel, promoters, and non-promoter shareholders laying out in particular the share exchange ratio, specifying any special valuation difficulties has to be appended with the notice of the meeting of shareholders and creditors. This report of the Board is made in order to comply with the requirements of Section 232(2)(c) of Companies Act, 2013.
- 1.3. The present Scheme involves the merger of two wholly owned subsidiaries i.e. Marpol and Perma with its parent company i.e. Nerolac and no shares of Nerolac will be issued on the merger of Marpol and Perma with Nerolac. Therefore, there is no requirement for a share exchange ratio or valuation certificate.
- 1.4. For the purpose of this report, the Board has, inter-alia, considered the following documents:
 - a) Draft Scheme, duly initialed by the Director of the Company for the purpose of identification.
 - b) Certificate dated 28th February, 2020 from Manoj Shah & Co. Chartered Accountants, confirming that the accounting treatment contained in the Scheme is in compliance with Accounting Standards prescribed under section 133 of the Companies Act, 2013

2. Impact on key stakeholders

a) Merger of Marpol with Nerolac:

Marpol is a wholly owned subsidiary of Nerolac. Hence, no shares of Nerolac shall be issued on the merger of Marpol with Nerolac. Thus, there will be no adverse effect of the said scheme on the Equity Shareholders, Key managerial personnel, Promoters and Non-Promoter shareholders of Perma.

b) Merger of Perma with Nerolac:

Perma is a wholly owned subsidiary of Nerolac. Hence, no shares of Nerolac shall be issued on the merger of Perma with Nerolac. Thus, there will be no adverse effect of the said scheme on the Equity Shareholders, Key managerial personnel, Promoters and Non-Promoter shareholders of Perma.

By Order of the Board of Directors
Perma Construction Aids Private Limited

Prashant Devidas Pai
Director
DIN : 08115481

11th September, 2020

	Note	As at 30 June 2020 (Unaudited)	As at 31 March 2020 (Audited)
ASSETS			
Non-current Assets			
Property, Plant and Equipment	2	1569.66	1594.61
Capital Work-in-progress		181.78	164.43
Right of Use Assets (ROU)	2A	107.45	111.06
Investment Property	3	0.18	0.18
Other Intangible Assets	4	2.36	2.79
		1861.43	1873.07
Financial Assets:			
Investments	5	149.98	149.92
Loans	6	14.65	14.88
		164.63	164.80
Non- Current Tax Assets (Net)		146.51	145.33
Other Non-current Assets	7	137.49	145.87
		2310.06	2329.07
Total Non-current Assets			
Current Assets			
Inventories	8	917.20	930.14
Financial Assets:			
Investments	9	246.71	305.10
Trade Receivables	10	576.98	674.50
Cash and Cash Equivalents	11	49.35	163.61
Bank Balances other than Cash and Cash Equivalents	12	2.66	2.67
Loans	13	5.67	4.30
Other Financial Assets	14	6.84	6.09
		888.21	1156.27
Other Current Assets	15	195.76	176.96
		2001.17	2263.37
Total Current Assets			
		4311.23	4592.44
Total Assets			
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	53.89	53.89
Other Equity	17	3605.48	3732.98
		3659.37	3786.87
Total Equity			
Liabilities			
Non-current Liabilities			
Financial Liabilities:			
Borrowings	18	-	-
Lease Liabilities	42	46.42	49.04
Deferred Tax Liabilities (Net)	19	83.17	84.97
		129.59	134.01
Total Non-current Liabilities			
Current Liabilities			
Financial Liabilities:			
Lease Liabilities	42	10.84	10.97
Trade Payables	20	52.44	32.51
Total Outstanding dues of Micro Enterprises and Small Enterprises		301.36	487.00
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises		353.80	519.51
Other Financial Liabilities	21	108.44	99.10
		473.08	629.58
Other Current Liabilities	22	28.57	23.02
Provisions	23	17.31	15.65
Current Tax Liabilities (Net)	24	3.31	3.31
		522.27	671.56
Total Current Liabilities			
		651.86	805.57
Total Liabilities			
		4311.23	4592.44
Total Equity and Liabilities			

For and on behalf of board of directors of
Kansal Nerolac Paints Limited


P.D. Pai
Director Finance & CFO



KANSAI NEROLAC PAINTS LIMITED
UNAUDITED STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD
FROM 1ST APRIL, 2020 TO 30TH JUNE, 2020

₹ in Crores

	Note	Period ended 30 June 2020 (Unaudited)	Year ended 31 March 2020 (Audited)
Income			
Revenue from Operations	25	598.05	4943.17
Other Income	26	7.93	26.86
Total Income		605.98	4970.03
Expenses			
Cost of Materials Consumed	27	230.06	2722.18
Purchases of Stock-in-trade		43.47	284.23
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	28	75.44	51.21
Employee Benefits Expense	29	64.50	269.38
Finance Cost	42	1.32	5.00
Depreciation and Amortisation Expenses	30	31.83	119.88
Other Expenses	31	104.07	834.55
Total Expenses		550.69	4286.43
Profit Before Tax		55.29	683.60
Tax Expense			
Current Tax	19	14.23	166.33
Deferred Tax	19	(1.65)	(18.13)
Total Tax Expense		12.58	148.20
Profit for the Period		42.71	535.40
Other Comprehensive Income			
(i) Items that will not be reclassified to Standalone Statement of Profit and Loss			
(a) Remeasurement of Defined Benefit Liability		(0.60)	(1.37)
(b) Income tax relating to items that will not be reclassified to Standalone Statement of Profit and Loss		0.15	0.35
Total Other Comprehensive Income (net of taxes)		(0.45)	(1.02)
Total Comprehensive Income for the Period		42.26	534.38
Earnings per Share (of ₹ 1 each)			
Basic and Diluted (in ₹)		0.79	9.94

For and on behalf of board of directors of
Kansai Nerolac Paints Limited



P.D. Pai
 Director Finance & CFO



Marpol Private Limited
Unaudited Balance Sheet as at 30th June 2020

	As at 30 June 2020	As at 31 March 2020
	Rs. INR	Rs. INR
ASSETS		
Non-current Assets		
Property, Plant and Equipment	10,48,00,811	5,83,38,041
Capital Work – in – Progress	–	4,31,94,981
Other Intangible Assets	4,81,319	6,38,862
Non-Current Tax Assets (Net)	33,09,542	23,09,542
Total Non-current Assets	10,85,91,672	10,44,81,426
Current Assets		
Inventories	12,16,94,752	13,35,56,299
Financial Assets:		
Trade Receivables	11,23,64,669	14,94,01,586
Cash and Cash Equivalents	2,13,207	19,33,488
Loans	6,08,424	6,41,725
	11,31,86,300	15,19,76,799
Other Current Assets	50,70,941	55,38,623
Total Current Assets	23,99,51,993	29,10,71,721
Total Assets	34,85,43,665	39,55,53,147
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	2,99,52,000	2,99,52,000
Other Equity	8,10,34,505	9,16,23,926
Total Equity	11,09,86,505	12,15,75,926
Liabilities		
Non-current Liabilities		
Deferred Tax Liabilities (Net)	4,48,711	3,42,599
Total Non-current Liabilities	4,48,711	3,42,599
Current Liabilities		
Financial Liabilities:		
Borrowings	10,74,09,418	14,20,04,825
Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises	–	–
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	9,98,79,726	12,32,73,779
	9,98,79,726	12,32,73,779
Other Financial Liabilities	1,02,09,652	33,73,115
	21,74,98,796	26,86,51,719
Other Current Liabilities	1,54,855	19,19,738
Provisions	1,94,54,797	30,63,165
Total Current Liabilities	23,71,08,449	27,36,34,622
Total Liabilities	23,75,57,160	27,39,77,221
Total Equity and Liabilities	34,85,43,665	39,55,53,147

For Marpol Private Limited


P. D. Pai
 Director

Marpol Private Limited
Unaudited Statement of Profit & Loss for the period from 1st April, 2020 to 30th June 2020

	For 3 months period ended on 30 June, 2020	For Year Ended 31 March, 2020
	Rs. INR	Rs. INR
Income		
Revenue from Operations	5,53,79,189	59,02,73,659
Other Income	-	29,767
Total Income	5,53,79,189	59,03,03,426
Expenses		
Cost of Materials Consumed	1,85,69,419	39,18,66,216
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	1,88,91,347	-8,41,472
Employee Benefits Expense	1,00,51,671	4,55,90,135
Finance Costs	31,35,803	1,13,59,129
Depreciation and Amortisation Expenses	28,54,786	1,09,28,904
Other Expenses	1,23,58,890	9,64,62,357
Total Expenses	6,58,61,917	55,53,65,269
Profit Before Tax	-1,04,82,728	3,49,38,157
Tax Expense		
Current Tax	-	58,31,877
Deferred Tax	1,06,112	1,39,445
Total Tax Expense	1,06,112	59,71,322
Profit for the Year	-1,05,88,841	2,89,66,835
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	-1,05,88,841	2,89,66,835

For **Marpol Private Limited**


P. D. Pai
 Director

PERMA CONSTRUCTION AIDS PRIVATE LIMITED
Unaudited Balance Sheet as at 30th June 2020

	As at 30 June 2020	As at 31 March 2020
	Rs. INR	Rs. INR
ASSETS		
Non-current Assets		
Property, Plant and Equipment	2,93,83,174	3,00,63,742
Financial Assets:		
Loans	12,54,525	12,54,525
Total Non-current Assets	3,06,37,699	3,13,18,267
Current Assets		
Inventories	3,16,49,491	3,64,75,010
Financial Assets:		
Trade Receivables	6,71,57,032	6,75,89,294
Cash and Cash Equivalents	3,88,66,195	2,67,84,879
	10,60,23,227	9,43,74,173
Other Current Assets	79,72,938	80,23,747
Total Current Assets	14,56,45,656	13,88,72,930
Total Assets	17,62,83,355	17,01,91,197
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	99,00,000	99,00,000
Other Equity	12,74,29,940	12,63,22,979
Total Equity	13,73,29,940	13,62,22,979
Liabilities		
Non-current Liabilities		
Deferred Tax Liabilities (Net)	9,28,981	28,945
Total Non-current Liabilities	9,28,981	28,945
Current Liabilities		
Financial Liabilities:		
Trade Payables		
Total Outstanding dues of Micro Enterprises and Small Enterprises	1,08,79,647	87,38,497
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,81,51,455	1,47,84,470
	2,90,31,102	2,35,22,967
Other Financial Liabilities	16,13,825	-
	3,06,44,927	2,35,22,967
Other Current Liabilities	42,25,017	35,51,868
Provisions	31,54,490	68,64,438
Total Current Liabilities	3,80,24,434	3,39,39,273
Total Liabilities	3,89,53,415	3,39,68,218
Total Equity and Liabilities	17,62,83,355	17,01,91,197

For PERMA CONSTRUCTION AIDS PRIVATE LIMITED


P. D. Pai
Director

PERMA CONSTRUCTION AIDS PRIVATE LIMITED

Unaudited Statement of Profit & Loss for the period from 1st April, 2020 to 30th June 2020

	For 3 months period ended on 30 June, 2020	For Year Ended 31 March, 2020
	Rs. INR	Rs. INR
Income		
Revenue from Operations	5,40,89,581	35,23,11,658
Other Income	3,62,260	4,80,651
Total Income	5,44,51,841	35,27,92,309
Expenses		
Cost of Materials Consumed	2,78,54,565	19,66,03,215
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	24,73,247	9,49,759
Employee Benefits Expense	1,34,90,011	6,28,60,085
Finance Costs	748	3,37,854
Depreciation and Amortisation Expenses	6,86,368	28,03,109
Other Expenses	75,94,711	5,83,93,685
Total Expenses	5,20,99,650	32,19,47,707
Profit Before Tax	23,52,191	3,08,44,602
Tax Expense		
Current Tax	3,45,194	79,76,296
Deferred Tax	9,00,036	1,11,583
Total Tax Expense	12,45,230	80,87,879
Profit for the Year	11,06,961	2,27,56,723
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	11,06,961	2,27,56,723

For PERMA CONSTRUCTION AIDS PRIVATE LIMITED



P. D. Pai
Director

Notes

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