

<b>NOTICE TO UNSECURED CREDITORS</b>	
<b>MEETING OF UNSECURED CREDITORS CONVENED PURUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, BENCH AT NEW DELHI</b>	
<b>DAY</b>	<b>MONDAY</b>
<b>DATE</b>	<b>30.07.2018</b>
<b>TIME</b>	<b>03:30 PM</b>
<b>VENUE</b>	<b>THE EXECUTIVE CLUB RESORT, DOLLY FARMS &amp; RESORTS PRIVATE LIMITED, 439, VILLAGE SHAHOORPUR, P O FATEHPUR BERI, NEW DELHI- 110074</b>

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT NEW DELHI**

**COMPANY APPLICATION NO. CA (CAA)- 70 (ND)/ 2018**

*(Under Section 230 to 232 of the Companies Act, 2013)*

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder as in force from time to time

And

In the matter of :

**Priceless Overseas Limited**, a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 having Corporate Identification No. U74899DL1995PLC074681 and having its registered office at A-30, S-11, Second Floor, Kailash Colony, New Delhi- 110048.

.....Applicant Company No.1/ Transferor Company

And

**P G Industry Limited**, a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 having Corporate Identification No. L74899DL1993PLC056421 and having its registered office at A-30, S-11, Second Floor, Kailash Colony, New Delhi- 110048.

.....Applicant Company No.2/ Transferee Company

**FORM CAA. 2**

**[Pursuant to Section 230(3) and Rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]**

**COMPANY APPLICATION NO. CA (CAA)- 70 (ND)/ 2018**

**NOTICE CONVENING MEETING**

**To**

**The Unsecured Creditor of P G Industry Limited, the Applicant No.1 / Transferee Company**

NOTICE is hereby given that by an Order made on 29.05.2018 & 07.06.2018, the Hon'ble National Company Law Tribunal, Bench at New Delhi ("**Tribunal**") has directed that meeting of the unsecured

creditor of the Applicant No. 2 / Transferee Company be held at The Executive Club Resort, Dolly Farms & Resorts Private Limited, 439, Village Shahoorpur, P O Fatehpur Beri, New Delhi- 110074 on Monday, the 30<sup>th</sup> day of July, 2018 at 03.30 P. M. for the purposes of considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of the Priceless Overseas Limited (Applicant No.1 / Transferor Company) and P G Industry Limited (Applicant No.2 / Transferee Company).

In pursuance of the said order and as directed therein, further notice is hereby given that a meeting of the unsecured creditor of the Transferee Company will be held at **The Executive Club Resort, Dolly Farms & Resorts Private Limited, 439, Village Shahoorpur, P O Fatehpur Beri, New Delhi-110074** on Monday, the 30<sup>th</sup> day of July, 2018 at 03:30 P. M. to consider and if thought fit, to pass the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230 to 232 of the Companies, Act, 2013 and above said order:

**“RESOLVED THAT** the Scheme of Amalgamation of Priceless Overseas Limited and P G Industry Limited ( “*Scheme*”) presented in Company Application No. CA (CAA)- 70 (ND)/ 2018 filed jointly by the said companies before the Hon’ble National Company Law Tribunal, Bench at New Delhi ( “*Tribunal*”) be and is hereby approved.

**RESOLVED FURTHER THAT** the Board of Directors of P G Industry Limited (hereinafter referred to as the “Board” which term shall be deemed to mean and include one or more Committee(s) constituted by the Board or any other person authorized by it to exercise its power including the powers conferred by this resolution) 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 Tribunal / 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 in giving effect to the Scheme, as the Board may deem fit and proper.”

TAKE FURTHER NOTICE that in terms of the said order dated 29.05.2018 & 07.06.2018, of the Hon’ble Tribunal, you shall have the facility and option of voting on the resolution for approval of the Scheme by casting your votes in person or by proxy at the venue of the meeting on 30<sup>th</sup> July, 2018 or by Postal Ballot during the respective periods as stated below:-

	<b>Manner of Voting</b>	<b>Commencement of Voting</b>	<b>End of Voting</b>
A	Postal Ballot	9:00 A M 30 <sup>th</sup> June, 2018	5:00 P M 29 <sup>th</sup> July, 2018
B	Poll at venue of meeting	30 <sup>th</sup> July, 2018 (upon poll being announced by Chairperson)	30 <sup>th</sup> July, 2018 (till poll is open)

Take note that you may opt to exercise your votes only in one mode, i.e, by (a) postal ballot or (b) by poll at the venue of the meeting. Further, if you cast your votes by remote e-voting, as aforesaid, you will not be entitled to vote again by poll at the venue of the meeting, whether in person or by proxy. If you do so, the votes so cast by you at the venue of the meeting shall be treated as invalid.

Votes may be cast, as aforesaid, at the venue of the meeting by you personally or by proxy provided that in the latter case, a proxy in the prescribed form, duly signed by you, is deposited at the registered office of the Transferee Company, not later than 48 (forty eight) hours before the time for holding the meeting. In case of a Body Corporate, being an Unsecured Creditor of the Transferee Company, opting to attend and vote at the venue of the meeting, as aforesaid, through its authorised representative, such Body Corporate may do so provided a certified copy of the resolution of its Board of Directors or other governing body authorizing such representative to attend and vote at the meeting on its behalf is deposited at the registered office of the Transferee Company not later than 48 (forty eight) hours before the time for holding the meeting.

It is however clarified that Unsecured Creditor casting their votes by postal ballot, as aforesaid, shall nevertheless be entitled to attend the meeting and participate in the discussions in the meeting but shall not be entitled to vote again at the meeting. At the venue of the meeting the votes shall be taken only physically by polling papers. Facility for postal ballot shall not be available at the venue of the meeting.

The Hon'ble Tribunal has appointed the undersigned to be the Chairperson of the said meeting of the Unsecured Creditors of the Transferee Company:

Shri Ashish Aggarwal, Advocate, Chairperson of the said meeting;

Shri Sougat Sinha, Advocate, Alternate Chairperson of the said meeting and

Shri Dinesh Kumar Chitkara, Chartered Accountant in Practice (Mem. No. 073944) to be the Scrutinizer for the said meeting.

A copy of the Explanatory Statement under Section 230(3) read with Sections 102(1) and 232(2) of the Companies Act, 2013 along with all other annexures as indicated in the index are enclosed. A copy of this notice and the accompanying documents are also placed on the website of the Transferee Company ([www.pgil.com](http://www.pgil.com)).

Unsecured Creditors opting to cast their votes, by postal ballot, are requested to read the instructions in the notes below carefully. In case of postal ballot the votes should be cast in the manner described in the instructions by 5:00 P.M on 29<sup>th</sup> July, 2018. Responses received after the said times will be treated as invalid.

This notice is being dispatched to all Unsecured Creditors of the Transferee Company whose names are appearing in the books of accounts as on 15<sup>th</sup> June, 2018 and the said unsecured creditors shall be entitled to cast their votes as per the mode chosen by them during the respective voting period for such mode, as specified in the table above.

In terms of the said order dated 29.05.2018 & 07.06.2018 of the Hon'ble Tribunal, the Scrutinizer shall submit his report on the voting to the Chairperson within Seven (7) days of the conclusion of the meeting and the Chairperson shall declare the results of the meeting after submission of such report to him. The results shall be announced by the Chairperson accordingly upon receipt of Scrutinizer's reports and the same shall be displayed on the website of the Applicant Company No. 2 ([www.pgil.com](http://www.pgil.com)).

The abovementioned Scheme of Amalgamation, if approved at the aforesaid meeting, will be subject to the subsequent approval of the Hon'ble Tribunal.

Dated this 15<sup>th</sup> day of June, 2018.

**Ashish Aggarwal**  
**Advocate**

**Chairperson appointed for the Meeting**

Drawn on behalf of Applicants by:  
Vikas Verma & Associate  
B 502, Statesman House,  
148, Barakhamba Road, New Delhi- 110001

### **Notes for meeting of Unsecured Creditors of the Transferee Company:**

- 1) Only Unsecured Creditors of the Transferee Company may attend (either in person or by proxy or by authorised representative) at the said meeting of the Unsecured Creditors of the Transferee Company ("Meeting").
- 2) The authorised representative of a body corporate which is unsecured creditor of the Transferee Company may attend the Meeting provided that a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the Meeting is deposited at the Registered Office of the Transferee Company not later than 48 hours before the scheduled time of the commencement of the Meeting.
- 3) AN UNSECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A UNSECURED CREDITOR OF THE TRANSFEE COMPANY. The Form of Proxy duly completed should, however, be deposited at the Registered Office of the Transferee Company not later than 48 hours before the scheduled time of the commencement of the Meeting. All alterations made in the form of Proxy should be initialed.
- 4) The quorum of the meeting of the unsecured creditors of the Applicant Company shall be twelve (12) in number unsecured creditors of the Applicant Company, present or 25 % in value terms.
- 5) Unsecured Creditor or his proxy, attending the meeting, is requested to bring the attendance slip duly completed and signed.
- 6) This Notice of the Tribunal convened Meeting of unsecured creditors of the Transferee Company is also displayed / posted on the website of the Transferee Company ([www.pgil.com](http://www.pgil.com)).
- 7) Unsecured creditors as per the books of accounts as on 15<sup>th</sup> June, 2018 are entitled to exercise their right to vote on the above meeting.
- 8) In terms of the said order dated 29<sup>th</sup> May, 2018 and 07<sup>th</sup> June, 2018 of the Hon'ble Tribunal and in accordance with Section 230(4) of the Companies Act, 2013 read with Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 and Companies (Management and Administration) Rules, 2014, Unsecured Creditor of the Transferee Company shall have the facility and option of voting on the resolution for approval of the Scheme by casting their votes in person or by proxy at the venue of the meeting on 30<sup>th</sup> July, 2018 or by postal ballot during the respective periods as stated below:-

	<b>Manner of Voting</b>	<b>Commencement of Voting</b>	<b>End of Voting</b>
A	Postal Ballot	9:00 AM 30 <sup>th</sup> June, 2018	5:00 PM 29 <sup>th</sup> July, 2018
B	Poll at venue of meeting	30 <sup>th</sup> July, 2018 (upon poll being announced by Chairperson)	30 <sup>th</sup> July, 2018 (till poll is open)

9) The Unsecured Creditors can opt for only one mode of voting, i.e. (a) postal ballot or (b) by poll at the venue of the Meeting. Further, Unsecured Creditors who have cast their votes by postal ballot, as aforesaid, will not be entitled to vote again by poll at the venue of the meeting, whether in person or by proxy. If they do so, the votes so cast by them at the venue of the meeting shall be treated as invalid.

10) It is clarified that casting of votes by postal ballot does not disentitle the unsecured creditors from attending the Meeting. The unsecured creditors, after exercising his/her right to vote through postal ballot, shall not be allowed to vote again at the Meeting.

11) Shri Dinesh Kumar Chitkara, Chartered Accountant in Practice (Mem. No. 073944), has been appointed by the Tribunal, as the Scrutinizer to scrutinize the voting by postal ballot and poll process.

12) It will be appreciated that queries, if any, qua the Scheme of amalgamation are sent to the company 10 days in advance of the meeting so that the answer could be made readily available

13) The Unsecured Creditors may contact on email: *pgindustry ltd@gmail.com* to address any grievances with respect to voting by postal Ballot.

14) The Scrutinizer will submit his consolidated report to the Chairperson of the Meeting upon scrutiny of voting by the unsecured creditors through postal ballot and poll at venue of the meeting within 7 days of the conclusion of the meeting and the Chairperson shall declare the results of the meeting after submission of such report to him. The results will be posted on the website of the Transferee Company on the website of [www.pgil.com](http://www.pgil.com).

15) Relevant documents referred to in the Notice and the Explanatory Statement are open for inspection by the unsecured creditors at the registered office of the Transferee Company as mentioned in the Explanatory Statement.

#### **16) Voting by Postal Ballot form**

(a) A postal ballot form along with self-addressed postage pre-paid envelope is also enclosed.

(b) Unsecured Creditors are requested to carefully read the instructions printed overleaf on the postal ballot form and return the form duly completed with assent (for) or dissent (against), in the enclosed postage pre-paid self-addressed envelope, so as to reach the Scrutinizer on or before 29<sup>th</sup>



July, 2018 at 5.00 p. m. Postal Ballot Form(s), if sent by courier or by registered post / speed post at the expense of the Unsecured Creditors will also be accepted. However Postal Ballot Form(s), received after the aforesaid time shall be considered as invalid.

- (c) In case an Unsecured Creditor is desirous of obtaining a printed duplicate postal ballot form, he or she may send request by letter at the registered office of the Transferee Company or send e-mail from their email id to [pgindustry ltd@gmail.com](mailto:pgindustry ltd@gmail.com) The Company shall forward the same along with postage prepaid self-addressed envelope to the Unsecured Creditor.

Enclosures: As above

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT NEW DELHI**

**COMPANY APPLICATION NO. CA (CAA)- 70 (ND)/ 2018**

*(Under Section 230 to 232 of the Companies Act, 2013)*

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder as in force from time to time

And

In the matter of :

**Priceless Overseas Limited**, a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 having Corporate Identification No. U74899DL1995PLC074681 and having its registered office at A-30, S-11, Second Floor, Kailash Colony, New Delhi- 110048.

.....Applicant Company No.1/ Transferor Company

And

**P G Industry Limited**, a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 having Corporate Identification No. L74899DL1993PLC056421 and having its registered office at A-30, S-11, Second Floor, Kailash Colony, New Delhi- 110048.

.....Applicant Company No.2/ Transferee Company

**Explanatory Statement under Section 230(3) read with Sections 102(1), 232(2) of the Companies Act, 2013 and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016**

**1. Meeting for Scheme of Arrangement**

This Explanatory Statement is attached to the notice convening meeting of the Unsecured Creditor of P G Industry Limited, being the Applicant Company No. 2 abovenamed (hereinafter referred to as “the Transferee Company”) for the purpose of their considering and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of Priceless Overseas Limited (Transferor Company) with P G Industry Limited (Transferee Company) whereby and whereunder the entire undertaking of the Transferor Company together with all property, rights, powers and all debts,

liabilities, duties and obligations relating thereto is proposed to be transferred to and vested in the Transferee Company on the terms and conditions fully stated in the said Scheme of Amalgamation. The salient features of the Scheme of Amalgamation are given in paragraph 5 of this Statement. The detailed terms of the Scheme will appear from the enclosed draft of the Scheme.

## **2. Date, time and venue of Meeting**

Pursuant to an order dated 29.05.2018 & 07.06.2018, passed by the National Company Law Tribunal, Bench at New Delhi (“Tribunal”) in Company Application No. CA (CAA)- 70 (ND)/ 2018, a meeting of the Unsecured Creditor of the Transferee Company will be held for the purpose of their considering and if thought fit, approving, with or without modification(s), the said Scheme of Amalgamation at **The Executive Club Resort, Dolly Farms & Resorts Private Limited, 439, Village Shahoorpur, P O Fatehpur Beri, New Delhi- 110074** on Monday, the 30<sup>th</sup> day of July, 2018 at 03:30 P. M. It is clarified that by the said order, meetings of Secured Creditors of the Transferee Company and meetings of Equity Shareholders and Secured Creditors of the Transferor Company have been dispensed with in view of consents already given by all the Secured Creditors of the Transferee Company and Equity Shareholders and Secured Creditors of the Transferor Company.

## **3. Rationale and benefits**

- (i) The amalgamated company has better market approach and wider clientele in terms of project sales and is more sustainable and efficient than amalgamating company. Therefore, shareholders and management shall have better and wider approach.
- (ii) The proposed amalgamation and restructuring would result in the following benefits:
  - a. Operational rationalization, organizational efficiency and optimal utilization of various resources due to pooling of management, administrative and technical skills of various resources of both the companies, better administration, and cost reduction, including reduction in managerial, administrative and other common costs;
  - b. Focused attention approach on the businesses and better alignment, coordination and streamlining of day to day operations of both the companies, leading to improvement in overall working culture and environment;
  - c. Creation of value for various stakeholders and shareholders of both the companies, as a result of all of the foregoing; and
  - d. Greater administrative efficiency.

## **4. Background of the Companies**

### **A. Particulars of the Applicant No. 1 (Transferor Company)**

- i. Priceless Overseas Limited (hereinafter referred to as the “POL” or “Amalgamating / Transferor Company”) having CIN U74899DL1995PLC074681, was incorporated as a public

limited company under the Companies Act, 1956 vide certificate of incorporation dated on December 15, 1995 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. The Transferor Company has its registered office situated at A - 30, S - 11, Second Floor, Kailash Colony, New Delhi – 110048. Its PAN Number with the Income Tax Department is AAACP7636C. The email address of the Transferor Company is [pricelessoverseas@gmail.com](mailto:pricelessoverseas@gmail.com) The Transferor Company had changed its registered Office from its present location to D-22, 302, Third Floor, Chattarpur Enclave, Phase – II, 100 Ft. Road, New Delhi – 110074 on 15<sup>th</sup> July 2015. Thereafter on 11<sup>th</sup> April 2016, transferor Company further changed its Registered Office to its present location i.e. A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048. Thereafter, the Company has not changed its Registered Office Address.

ii. The main objects of the Transferor Company as per its memorandum of association are as follows:

1. To carry on the business as buyers, departmental stores, sellers, importers, exporters, distributors, agents brokers, factors stockists, commission and agents, dealers of:

*a) All kinds of fabrics textiles such as decorative, hand and machine made readymade garments, carpets, durries; mats, rugs, namdas, blankets, shawls, tweeds, linens, flannels, beds spreads, quilts, scarfs, belts tapestry and all other articles of silk cotton, woollen and worsted materials and all sorts of apparels, dressing materials, mixed, blended products, nylon, polyster fibre hosiery and mixed fabrics, natural silk fabrics garments.*

*b) Engineering goods, machine tools, hand tools, small tools, metals, alloys iron, pipe fittings, nuts and bolts, bicycles and accessories, automobiles parts, steels and stainless steel and iron products, ores and scraps, metallurgical residues hides, skins, leather goods, furs, bristles, tobacco (raw and manufactured) hemp seeds, oils and cakes, vanaspati, textile, fibre and waste coir, and jute and products thereof, wood and timber, bones crushed and uncrushed, industrial diamonds, coal and charcoal, glue, gums and resins, ivory, lac, shellac, manures pulp, or wood rags, rubber, tanning substance, wax, quartz crystal, chemicals and, chemical, preparations, plastic and linoleum articles, glass ware, handicrafts handloom, toys, gold, precious stones, ornaments, jewelleryes pearls, drugs and medicines, soaps, paints, instruments, apparatus and appliances machinery and mill work and parts thereof, paper and stationery. News Prints, sports goods, druggets, in dressing materials, cosmetics, wigs, belting, cinematograph films exposed, rubber and plastic goods, starch, umbrellas, crown, corks, batteries, surgical and musical instruments, marble and hardware items traditional calenders all kinds of books and manuscripts, electric and electronic products of all kinds, sanitaryware and fittings, woollen textiles, natural fibre, products, cellulose and cellulosic products, mixed blended products, fish and fish products, fodder bran, Flowers. Agro Products, fruits, nuts, cashewnuts, kernels, grains, pulses, flour, confectionery provisions, alcohol, breverages, perfumes spirits, spices and tea coffee, sugar and molasses, vegetables non-vegetable products, processed foods and*

*packed food products, all kinds of fabric, garments and hosiery goods, Agarbatti, Dhupbatti carpets, Durries, furnitures and packing materials.*

*2. To act as an export house, tradings house, liasion agent and consultant in respect of the business as referred to in sub-clause (1) above.*

*3. To act as export agents and purchase and sale representatives to stockists, processing units, units engaged in village industries, home industries, cottage industries, small and medium scale industries in connection with the business as referred to in subclause (1) above.*

*4. To carry on the business of export, import, trade, liaison, agent and deal in all kinds of consumer products, goods, articles, and commodities and International trading items, in marbles, granites, tiles, stabs, dolomite, state, sand stone, natural stone, and articles of stone, marble, granite, and slates.*

- iii. The Authorised Share Capital of the Transferor Company is Rs. 8,25,00,000/- divided into 82,50,000 Equity Shares of Rs. 10- each. The Issued, Subscribed and Paid up Share Capital of the Transferor Company is Rs. 8,09,66,050/- divided into 80,96,605 Equity Shares of Rs. 10/- each fully paid up.
- iv. The latest annual accounts of the Transferor Company have been audited for the financial year ended on 31<sup>st</sup> March, 2017. The Transferor Company has since also prepared its financial statements (unaudited) as on 31<sup>st</sup> March, 2018, a copy whereof is included in **Annexure “ I ”** attached hereto. The following summary extracted from the said financial statements as at 31<sup>st</sup>, March, 2018 indicates the financial position of the Transferor Company as on the said date as follows:-

<b>Particulars</b>	<b>Rs. In Rupees</b>
<b>A. Share Capital</b>	
Net Shareholders Fund (A)	8,09,66,050.00
<b>B. Assets</b>	
Non Current Assets	3,28,90,338.12
Current Assets	28,13,86,806.01
Total (B)	31,42,77,144.13
<b>C. Liabilities</b>	
Non Current Liabilities	11,294,631.30
Current Liabilities	154,602,238.18
Total (C)	165,896,869.48
Excess of Assets over Liabilities (B-C)	148,380,274.65

- v. The details of Directors, Key Managerial Personnel (KMP) of the Transferor Company along with their address are mentioned herein below:

Sl. No.	Name of Director/ KMP	Category	Address
1	Raja Ram Dalmia	Director	56 A, Sainik Farm, New Delhi – 110062
2	Sunil Kumar Shakya	Director	House No. 1C, Gali No. 6 Press Enclave, Vikas Nagar New Delhi – 110059
3	Sarthak Thakur	Additional Director	House Street No.- 15, C/O Dinesh Serawat Mahipalpur, South West Delhi New Delhi – 110037

Sl. No.	Name of Promoter	Category	Address
1	Shri. Raja Ram Dalmia	Individual	56 A, Sainik Farm, New Delhi – 110062
2	Smt. Manju Devi Dalmia	Individual	56 A, Sainik Farm, New Delhi – 110062
3	Shri. Pardip Asopa	Individual	E-564, Mayur Vihar, Phase II, Delhi – 110092
4	Capetown Merchandise Private Limited	Body Corporate	5F, Fifth Floor, Block B, 202, Shyam Lake Garden, Jessore Road, Kolkata – 700089, West Bengal
5	Newlook Vinimay Private Limited	Body Corporate	5F, Fifth Floor, Block B, 202, Shyam Lake Garden, Jessore Road, Kolkata – 700089, West Bengal
6	Vishal Enclave Private Limited	Body Corporate	5F, Fifth Floor, Block B, 202, Shyam Lake Garden, Jessore Road, Kolkata – 700089, West Bengal

The Transferor Company is an unlisted company.

**B. Particulars of the Applicant No. 2 (Transferee Company)**

- i. P G Industry Limited (hereinafter referred to as the “P G” or “Amalgamated / Transferee Company”) having CIN L74899DL1993PLC056421, was initially incorporated as a Private limited company under the Companies Act, 1956 vide certificate of incorporation dated on December 13, 1993 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. The Transferee Company changed its status from Private limited Company to Public Limited Company vide Certificate of Name change dated February 14, 1995 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. The Amalgamated / Transferee Company has its registered office situated at A - 30, S - 11, Second Floor, Kailash Colony, New Delhi – 110048. Its PAN Number with the Income Tax Department is AAACP6868J. The email address of the Transferee Company is

pgindustry ltd@gmail.com and website is www.pgil.com. The Transferee Company had changed its registered Office from its present location to D-22, 301, Third Floor, Chattarpur Enclave, Phase – II, 100 Ft. Road, New Delhi – 110074 on 15<sup>th</sup> July 2015. Thereafter on 11<sup>th</sup> April 2016, transferor Company further changed its Registered Office to its present location i.e. A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048. Thereafter, the Company has not changed its Registered Office Address.

ii. The shares of the Transferee Company are, at present, listed on the BSE Limited and The Calcutta Stock Exchange Limited.

iii. The main objects of the Transferee Company as per its Memorandum of Association are as follows:

*1. To establish and carry on trade or business of preparing, mining, cutting, polishing, processing, treating, importing, exporting, purchasing, selling of all types of marble, granite, laterite, lime stone, sand stone, slabs, tiles (including ceramic and Marble) and other building material and colour stones of every description and type, including setting, processing, trading or dealing into waste and by products arising from the mining or processing of marbles and colour stones.*

*2. To enter in arrangement of rendering and obtaining technical collaboration for the manufacturer of plant and machinery for industries such as cutting, polishing of marble, stones, slates, granite.*

The Transferee Company had amended Main Object 1 as above stated vide Resolution dated 18<sup>th</sup> June 2015. Before the amendment, the main object 1 was read as:

*To carry on the business of cutting, polishing, importer, exporter, commission agent and mining in marble and granite tiles, slabs, manufactured articles of stone marble granite, stone slates.*

vi. The Authorised Share Capital of the Transferee Company is Rs. 7,00,00,000/- divided into 70,00,000 Equity Shares of Rs. 10- each. The Issued, Subscribed and Paid up Share Capital of the Transferee Company is Rs. 4,62,42,200/- divided into 46,24,220 Equity Shares of Rs. 10/- each fully paid up.

vii. The latest annual accounts of the Transferee Company have been audited for the financial year ended on 31<sup>st</sup> March, 2017. The Transferee Company has since also prepared its financial statements (unaudited) as on 31<sup>st</sup> March, 2018, a copy whereof is included in **Annexure “ I ”** attached hereto. The following summary extracted from the said financial statements as at 31<sup>st</sup> March, 2018 indicates the financial position of the Transferee Company as on the said date as follows:-

<b>Particulars</b>	<b>Rs. In Rupees</b>
<b>A. Share Capital</b>	
Net Shareholders Fund (A)	46,242,200.00
<b>B. Assets</b>	
Non Current Assets	88,892,609.68
Current Assets	488,049,880.08
<b>Total (B)</b>	<b>576,942,489.76</b>
<b>C. Liabilities</b>	
Non Current Liabilities	149671642.93
Current Liabilities	306496922.46
<b>Total (C)</b>	<b>456,168,565.39</b>
<b>Excess of Assets over Liabilities (B-C)</b>	<b>120,773,924.37</b>

Subsequent to the date of the aforesaid financial statements, i.e. 31.03.2018, there has been no substantial change in the financial position of the Transferee Company excepting those arising or resulting from the usual course of business.

- viii. The details of Directors, Key Managerial Personnel (KMP) of the Transferee Company along with their address are mentioned herein below:

<b>Sl. No.</b>	<b>Name of Director/ KMP</b>	<b>Category</b>	<b>Address</b>
1	Saket Dalmia	Managing Director	56A Sainik Farm New Delhi - 110062
2	Amit Dalmia	Director	56 A Sainik Farm New Delhi - 110062
3	Anil Kumar	Director	RZ-193 A/15 Tuglakabad Extn. Kalkaji New Delhi-110019
4	Pardip Asopa	Director	E-564 Mayur Vihar II Delhi-110092
5	Usha Sharma	Director	568, Sihi Ward No. 21, Sector 9 Ballabgarh Faridabad 121001
6	Davender Kumar	Company Secretary	R Z H-3/72, Bengali Colony, Mahavir Enclave, Palam New Delhi-110045
7	Gaurav Kumar	CFO(KMP)	House No. 1489, Near Tagore School Sector-3, Ballabgarh Faridabad-121004

<b>Sl. No.</b>	<b>Name of Promoter</b>	<b>Category</b>	<b>Address</b>
1	Manju Devi Dalmia	Individual	56 A Sainik Farm New Delhi - 110062



2	Saket Dalmia	Individual	56 A Sainik Farm New Delhi - 110062
3	Amit Dalmia	Individual	56 A Sainik Farm New Delhi - 110062
4	Pooja Dalmia	Individual	56 A Sainik Farm New Delhi - 110062
5	Newlook Vinimay Private Limited	Body Corporate	5F, Fifth Floor, Block B, 202, Shyam Lake Garden, Jessore Road, Kolkata – 700089, West Bengal

### **5. Silent Features of the Scheme**

The silent features of the Scheme are, inter alia, as follows:

- (a) **“Appointed Date”** means closing hours of March 31, 2017 or such other date as may be approved by NCLT;
- (b) With effect from the Appointed Date, and upon the Scheme becoming effective, the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein.
- (c) Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, investments, rights, benefits and interest therein of the Amalgamating Company shall, with effect from the Appointed Date, stand transferred to and be vested in the Amalgamated Company, without any further act or deed, and by virtue of the order passed by the NCLT. Without prejudice to the generality of the above, and in particular, the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company in the manner described in sub-clauses (i) to (xi) below:
  - (i) all assets of the Amalgamating Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly. No stamp duty is payable on the transfer of such movable properties, being vested in the Amalgamated Company;
  - (ii) all movable properties of the Amalgamating Company, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, shall without any further act, instrument or deed, become the property of the Amalgamated Company;
  - (iii) all immovable properties of the Amalgamating Company, if any, whether freehold or leasehold, and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand

transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company;

(iv) all investments including the investments made by Amalgamating Company in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates and other accrued benefits thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company;

(v) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Company, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company and the Amalgamated Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

(vi) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company, or to the benefit of which, the Amalgamating Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto;

(vii) any pending suit/appeal or other proceedings of whatsoever nature relating to the Amalgamating Company, whether by or against the Amalgamating Company, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation of the Amalgamating Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company, as if this Scheme had not been made. The Amalgamated Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to Amalgamating Company;

(viii) all employees of the Amalgamating Company, who are on its pay roll shall be engaged by the Amalgamated Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever, in accordance with the provisions of applicable laws and in terms of this Scheme. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall

continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company for such purpose, shall be treated as having been continuous;

(ix) all statutory licenses, permissions or approvals or consents held by the Amalgamating Company required to carry on its operations shall stand transferred to and be vested in the Amalgamated Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Amalgamated Company. The benefit of all statutory and regulatory permissions, approvals and consents of the Amalgamating Company shall vest in and become available to the Amalgamated Company pursuant to the Scheme;

(x) any and all registrations, goodwill, licenses appertaining to the Amalgamating Company shall stand transferred to and vested in the Amalgamated Company; and

(xi) all taxes payable by the Amalgamating Company, if any, including all or any refunds of claims shall be treated as the tax liability or refunds/claims as the case may be of the Amalgamated Company.

d) With effect from the Appointed Date and until occurrence of the Effective Date:

(i) the Amalgamating Company undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company; and

(ii) all profits accruing to the Amalgamating Company and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company; and

(iii) the Amalgamating Company shall carry on its business, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/ assets, except : (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in NCLT; or (c) when a prior written consent of the Amalgamated Company has been obtained in this regard; and

(iv) except by mutual consent of the Board of Directors of the Amalgamating Company and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by NCLT, the Amalgamating Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of reorganisation of capital of the Amalgamating Company; and

(v) the Amalgamating Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the

Scheme by the Board of Directors of the Amalgamating Company, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of the Amalgamated Company; and

(vi) the Amalgamating Company shall not alter or substantially expand its business except with the written concurrence of the Amalgamated Company; and

(vii) the Amalgamating Company shall not amend its Memorandum of Association and / or its Articles of Association, except with the written concurrence of the Amalgamated Company.

e) Upon the coming into effect of the Scheme, and in consideration of the amalgamation of the Amalgamating Company with the Amalgamated Company pursuant to Part III – Section A of the Scheme, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the Share Entitlement Report, issue and allot to the shareholders of Amalgamating Company (whose name is recorded in the register of members of the Amalgamating Company) in the number of equity shares as held by the Amalgamating Company in the Amalgamated Company in the following manner:

1 (One) Equity Share of Rs.10/- (Rupees Ten) each of the Amalgamated Company for every 6 (Six) Equity Share of Rs.10/- (Rupees Ten) each held in the Amalgamating Company.”

In the event that the New Equity Shares entitled to be issued result in fractional entitlements, the Board of Directors of the Amalgamated Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares.

f) Notwithstanding anything provided in this Scheme, in case dividend (including interim dividend), is declared either by Amalgamated Company or Amalgamating Company prior to the Effective Date, it shall be payable to their respective shareholders whose name is recorded in the register of members of the Amalgamated Company and/ or Amalgamating Company as holding equity shares on the date of declaration of such dividend or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Amalgamated Company and/ or Amalgamating Company.

It is clarified that the aforesaid provision in respect of declaration of dividends is an enabling provision only and shall not be deemed to confer any right on any member of the Amalgamated Company and Amalgamating Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamated Company and Amalgamating Company and subject to the approval of the respective shareholders of the Amalgamated Company and Amalgamating Company.

g) Upon this Scheme becoming effective and upon the vesting and transfer of the Amalgamating Company in the Amalgamated Company pursuant to the terms of this Scheme, the entire authorized

share capital of the Amalgamating Company shall stand transferred from the authorized share capital of the Amalgamating Company to the authorized share capital of the Amalgamated Company.

h) the authorized share capital of the Amalgamated Company shall stand increased by an amount of Rs. 8,25,00,000 (Rupees Eight Crore Twenty Five Lac) and Clause V in the memorandum of association of the Amalgamated Company shall stand substituted to read as follows:

“V. The Authorized Share Capital of the Company is Rs.15,25,00,000 (Rupees Fifteen Crore Twenty Five Lac only) divided into 1,52,50,000 (One Crore Fifty Two Lac Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each.”

The stamp duty or filing fees paid on the authorized share capital of the Amalgamating Company is permitted to be utilized and applied towards the increase in the authorized share capital of the Amalgamated Company in accordance with this Clause 6.1 and 6.2 above, and no further demand of additional stamp duty or fee shall be raised or made upon the Amalgamated Company by any regulatory authorities in relation to such increase in the authorized share capital of the Amalgamated Company, including by the Registrar of Companies, National Capital Territory of Delhi and Haryana.

It is hereby clarified that for the purposes of increasing the authorized share capital of the Amalgamated Company in accordance with Clause 6.1 and 6.2 above, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under section 13, section 61 or any other applicable provisions of the 2013 Act, would be required to be separately passed.

With effect from the Appointed Date and upon the Scheme becoming effective, Amalgamated Company shall account for the amalgamation of Amalgamating Company in its books of account. All the assets and liabilities of Amalgamating Company, is transferred to and vested in Amalgamated Company pursuant to the Scheme and shall be recorded by Amalgamated Company at their book values with effect from the Appointed Date.

Amalgamated Company shall credit the aggregate face value of New Equity Shares issued by it to the shareholders of Amalgamating Companies pursuant to Clause 4.1 of this Scheme to the Share Capital Account in its books of accounts.

The difference between assets and liabilities, as taken over, and face value of New Equity Shares issued to be adjusted in appropriate account under equity of the amalgamated company.

SEBI registered Category I merchant banker, pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, under its fairness opinion dated September 16, 2017 has certified that the Share Entitlement Report in reference to the Scheme, is fair and reasonable.

This Scheme is and shall be conditional upon and subject to:

The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Amalgamating Company and Amalgamated Company as may be directed by the NCLT under Section 230- 232 of the 2013 Act;

The Scheme being approved by the shareholders of the Amalgamated Company through resolution passed in terms of Para 9 (a) & (b) of Annexure I of SEBI Circular No. CFD/DIL3/ CIR/2017/21 dated March 10, 2017, as may be amended from time to time, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the votes cast by the public shareholders against it;

The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;

The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, National Capital Territory of Delhi and Haryana, by the Amalgamating Company and Amalgamated Company, as the case may be;

Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

The Amalgamating Company and the Amalgamated Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Amalgamating Company and the Amalgamated Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Amalgamating Company and Amalgamated Company may find unacceptable for any reason, then the Amalgamating Company and/or Amalgamated Company are at liberty to withdraw the Scheme. The Board of Directors of Amalgamating Company and Amalgamated Company shall be entitled, in a mutually agreeable manner, to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on Amalgamating Company and/or Amalgamated Company.

If any issue arises as whether any asset, liability, employee pertains to the Amalgamating Company and/or Amalgamated Company, or not under this Scheme, the same shall be decided by the Board of

Directors of the Amalgamating Company and/or Amalgamated Company, as relevant, on the basis of relevant books of account and other evidence that they may deem relevant for said purposes.

**Note: The aforesaid are the salient features of the Scheme. The Unsecured Creditors are requested to read the entire text of the Scheme annexed hereto get fully acquainted with the provisions thereof.**

## **6. Board Approval**

- i. The Board of Directors of the Transferor Company have at their Board meeting held on 22<sup>nd</sup> September, 2017 by resolution passed unanimously approved the Scheme, as detailed below:

<b>Name of Director</b>	<b>Voted in favor/ against/ did not participate or vote</b>
Mr. Raja Ram Dalmia	Voted in Favour
Mr. Sunil Kumar Shakya	Voted in Favour
Mr. Rajesh Kumar	Voted in Favour

- ii. The Board of Directors of the Transferee Company have at their Board meeting held on 22<sup>nd</sup> September, 2017 by resolution passed unanimously approved the Scheme, as detailed below:

<b>Name of Director</b>	<b>Voted in favor/ against/ did not participate or vote</b>
Mr. Saket Dalmia	Voted in Favour
Mr. Amit Dalmia	Voted in Favour
Mr. Anil Kumar	Voted in Favour
Mr. Pardip Asopa	Voted in Favour
Mrs. Usha Sharma	Voted in Favour

## **7. Relationship between Applicant Companies**

There is no relation between Transferor Company and Transferee Company.

## **8. Interest of Directors, Key Managerial Personnel and their relatives**

The shareholding of the Directors and Key managerial Personnel (KMP) of the Applicants and their relatives is set out in Annexure “ II ” attached herewith. Save as aforesaid none of the Directors, KMPs and their relatives have any concern or interest in the Scheme of Amalgamation. Save and except to the extent that the shareholding of the Directors and KMPs of Applicants, will change as mentioned in Point No. 14 Shareholding Pattern as below stated upon issue and allotment of shares in terms of the Scheme, the Scheme will have no effect on the material interest of the Directors and KMPS of the Applicants. Such effect of the Scheme on the shareholding of Directors and KMPS of the Applicants and their relatives is in no way different from the effect of the Scheme on the shareholding of other shareholders of the Applicants. All shareholders of the Transferor Company,

including the said Directors and KMPs and their relatives, will be issued shares in the share exchange ratio and no additional shares are to be issued to the said Directors and KMPS and their relatives in terms of the Scheme.

#### **9. Effect of Scheme on stakeholders**

The effect of the Scheme on the shareholders, creditors, depositors, debenture holders, Deposit trustee, debenture trustee, employees, directors, key managerial personnel, promoter and non-promoter shareholders is given in the attached report (Annexure “ III ” hereto) adopted by the respective Board of Directors of the Applicants at their meeting held on 11<sup>th</sup> June, 2018 pursuant to the provisions of Section 232(2)(c) of the Companies Act, 2013. There will be no adverse effect on account of the Scheme on the said persons. The Scheme is proposed to the advantage of all concerned, including the said persons. Hence, there is now no effect of the Scheme whatsoever on the shareholder, creditor, directors, key managerial personnel, promoters and non-promoters shareholders of the Company.

#### **10. Benefits of the Amalgamation**

Benefits of the Amalgamation as perceived by the Board of directors to the company, members, creditors and others (as applicable):

- a) It would be advantageous to combine the activities and operations in a single Company. The Amalgamation would provide synergistic linkages besides economies in costs by combining the total business functions and the related activities and operations and thus contribute to the profitability of the amalgamated Company.
- b) The Amalgamation will enable the Transferee Company to consolidate the businesses and lead to synergies in operation and create a stronger business and financial base for execution of the larger business activities.
- c) The Amalgamation will result in economy of scale and reduction in overheads, administrative, managerial and other expenditure and optimal utilization of resources.
- d) The Amalgamation will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Companies and the Transferee Company.
- e) The Scheme of Amalgamation will result in cost saving for all the companies as they are capitalizing on each other's core competency and resources which are expected to result in stability of operations, cost savings and higher profitability levels for the Amalgamated Company.



## **11. Amount due to Unsecured Creditors**

a) Amount due to unsecured creditors by Transferor Company:

As on 15<sup>th</sup> June 2018, Rs. 5,25,96,574/- (Rupees Five Crore Twenty Five Lacs Ninety Six Thousand Five Hundred and Seventy Four Only).

b) Amount due to unsecured creditors by Transferee Company:

As on 15<sup>th</sup> June 2018, Rs. 25,44,54,045 /- (Rupees Twenty Five Crore Forty Four Lac Fifty Four Thousand and Forty Five Only).

## **12. Disclosure about the effect of the Amalgamation on:**

Key managerial personnel; (b) directors; (c) promoters; (d) non-promoter members; (e) depositors; (f) creditors; (g) debenture holders; (h) deposit trustee and debenture trustee; (i) employees of the company:

None of the aforesaid parties are impacted in any way post sanctioning of the Scheme and reference to the same has been made at the respective places in the Scheme of Amalgamation attached herewith.

### **Disclosure about effect of Amalgamation on material interests of directors, Key Managerial Personnel –**

The Scheme of Amalgamation has no impact on the material interests of directors, Key Managerial Personnel of the Company. All the staff, workmen and other employees on the permanent rolls of the Transferor Company immediately before the Transfer of the Undertaking under the Scheme shall become the staff, workmen and employees of the Transferee Company as per the details mentioned in the scheme.

## **13. No investigation proceedings**

There are no proceedings pending under Sections 235 to 251 of the Companies Act, 1956 or Sections 210 to 227 of the Companies Act, 2013 against any of the Applicant Companies.

## **14. Valuation report and Fairness Opinion**

i. The exchange ratio of shares in consideration for the amalgamation has been fixed on a fair and reasonable basis and on the basis of the Report of Messrs. S C Verma & Associates, Chartered Accountants. Further Messrs. Turnaround Corporate Advisors Private Limited (SEBI Registered Category I Merchant Banker), Independent Merchant Bankers, have also confirmed that the entitlement ratio is fair and proper by their fairness opinion thereon.

ii. The said chartered accountants determined Fair Share Ratio as according to Weighted Average Method. The said chartered accountants recommended the exchange ratio of shares as follows:-

1(One) Equity Share of Rs.10/- (Rupees Ten) each of the Amalgamated Company for every 6 (Six) Equity Share of Rs.10/- (Rupees Ten) each held in the Amalgamating Company.”

iii. Further details of the exchange ratio will appear from the Report thereon of the said Messrs. S C Verma & Associates Chartered Accountants which is attached to this explanatory statement as Annexure “ IV ”. The Fairness Opinion thereon of Messrs. Turnaround Corporate Advisors Private Limited (SEBI Registered Category I Merchant Banker), Independent Merchant Bankers is also attached to this explanatory statement as Annexure “ V ”. The said documents are also available for inspection at the registered office of the Transferee Company.

### **15. Shareholding pattern**

A. The pre/post Amalgamation shareholding pattern of the Transferor Company and the Transferee Company as on March 31, 2018 is as follows:-

		<b>Pre- Amalgamation Transferor Company</b>		<b>Pre- Amalgamation Transferee Company</b>		<b>Post- Amalgamation Transferee Company</b>	
	<b>Category</b>	No of shares	%	No of shares	%	No of shares	%
<b>(A)</b>	<b>Shareholding of Promoter &amp; Promoter Group</b>						
(1)	Indian						
(a)	Individuals/ HUF	50,000	0.61	4,79,440	10.37	4,87,774	8.16
(b)	Central Government/ State Government						
(c)	Financial Institutions/ Banks						
(d)	Any Other (specify)						
	Bodies Corporate	80,46,605	99.39	7,32,864	15.85	20,73,964	34.71
	<b>Sub- Total (A) (1)</b>	<b>80,96,605</b>	<b>100.00</b>	<b>12,12,304</b>	<b>26.22</b>	<b>25,61,738</b>	<b>42.88</b>
(2)	Foreign						
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)						
(b)	Government						
(c)	Institutions						
(d)	Foreign Portfolio Investor						
(e)	Any other (specify)						
	<b>Sub- Total (A)(2)</b>						
	<b>Total shareholding of</b>	<b>80,96,605</b>	<b>100.00</b>	<b>12,12,304</b>	<b>26.22</b>	<b>25,61,738</b>	<b>42.88</b>

	Promoter and Promoter Group (A)= (A)(1)+(A)(2)						
<b>(B)</b>	<b>Public Shareholding</b>						
<b>(1)</b>	<b>Institutions</b>						
(a)	Mutual Funds/ UTI			1,45,000	3.14	1,45,000	2.42
(b)	Venture Capital Funds						
(c)	Alternate Investment Funds						
(d)	Foreign Portfolio Investors						
(e)	Financial Institutions/ Banks						
(f)	Insurance Companies						
(g)	Provident Funds/ Pension Funds						
(h)	Any Other (specify)						
(i)	Foreign Institutional Investors						
	<b>Sub- Total (B) (1)</b>			1,45,000	3.14	1,45,000	2.42
(2)	Central Government/ State Government / President of India						
	<b>Sub- Total (B) (2)</b>						
<b>(3)</b>	<b>Non- Institution</b>						
(a)	Individuals						
	I. Individual shareholders holding normal share capital upto Rs. 2 lakh			8,84,494	19.13	8,84,494	14.80
	II. Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs			84,300	1.82	84,300	1.41
(b)	NBFC registered with RBI						
(c)	Employees Trusts						
(d)	Overseas Depositories (holding DRs) (balancing figure)						
(e)	Any Other (specify)						
	Bodies Corporate			22,96,499	49.66	22,96,499	38.44
	Clearing Member			1,401	0.03	1,401	0.00
	Non Resident Individual			220	0.00	220	0.00

	<b>Sub Total (B)(3)</b>			<b>32,66,916</b>	<b>70.65</b>	<b>32,66,916</b>	<b>54.68</b>
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)			34,11,916	73.78	34,11,916	57.12
(C)	Shareholding of Non Promoter- Non Public shareholder						
(1)	Custodian/ DR Holder						
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014						
	Total Non Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)						
	<b>TOTAL (A) + (B) + (C)</b>	<b>80,96,605</b>	<b>100.00</b>	<b>46,24,220</b>	<b>100.00</b>	<b>59,73,654</b>	<b>100.00</b>

B. Pre/post Amalgamation capital structure of the Transferor Company and the Transferee Company.

i. Pre – Amalgamation capital structure of the Transferor Company:

The pre-Amalgamation capital structure of the Transferor Company and the Transferee Company is given in paragraph above.

ii. Pre – Amalgamation capital structure of the Transferee Company:

The pre-Amalgamation capital structure of the Transferee Company is given in paragraph above.

iii. Post – Amalgamation capital structure of the Transferor Company:

The Transferor Company will stand amalgamated with the Transferee Company under the Scheme and hence there will be no post Amalgamation capital structure of the Transferor Company.

iv. Post – Amalgamation capital structure of the Transferee Company:

Consequent to the Scheme, the Authorized Share Capital of the Transferee Company will increase to Rs. 15,25,00,000/- divided into 1,52,50,000 Equity Shares of Rs. 10/- each. In terms of the Scheme, the Transferee Company will issue and allot new 13,49,434 Equity Shares of Rs. 10.00 /- each fully paid up to the shareholders of the Transferor Company. Thus the issued, subscribed and paid up share capital of the Transferee Company consequent to the Scheme will be Rs. 5,97,36,540.00 /- divided into 59,73,654 Equity Shares of Rs. 10.00 /- each fully paid up.

**16. Auditors Certificate of conformity of accounting treatment in the Scheme with Accounting Standards**

The Auditors of the Applicants have confirmed that the accounting treatment in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013.

#### **17. Approvals and intimations in relation to the Scheme**

i. The Transferor Company is an unlisted Company. The shares of the Transferee Company are listed on BSE Limited (“BSE”) and The Calcutta Stock Exchange Limited (“CSE”). The Transferee Company has duly filed the Scheme with BSE in terms of the SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 for their observation pursuant to the LODR entered into by it with the said Stock Exchange. Apart from the same, the Transferee Company also submitted the Report of its Audit Committee on the Scheme and various other documents to the stock exchanges and also displayed the same on its website in terms of the SEBI Circular dated 10<sup>th</sup> March 2017 and addressed all queries on the said documents. The Complaints Report required to be filed in terms of the said Circular was also duly filed by the Transferee Company. Copies of the said complaints report is attached as Annexure “ VI ” hereto. The Transferee Company also duly submitted its compliance report dated September 22, 2017 confirming compliance pursuant to the said SEBI Circular, a copy whereof is attached as Annexure “ VII ” hereto. BSE by its observation letter dated 21<sup>st</sup> February, 2018 have since confirmed that they have ‘no adverse observation’ on the Scheme pursuant to the said SEBI Circular. Copy of the said observation letter is attached as Annexure “ VIII ” hereto.

ii. Further, the Applicants confirm that notice in the prescribed form is also being served on all Authorities in terms of the order dated 29.05.2018 & 07.06.2018 along with copy of this notice, Scheme and other documents accompanying the same.

#### **18. Filling of Notice with Registrar**

We hereby confirm that the Company has filled the copy of this Notice with Registrar of Companies, National Capital Territory of Delhi & Haryana.

#### **19. Inspection of Documents**

In addition to the documents annexed hereto, the following documents will be open for inspection at the Registered Office of the Transferor Company on any working day, (between 11.00 A.M. to 01.00 P.M.) except Saturdays, Sundays and Public Holidays prior to the date of the meeting:

- (i) Order dated 29.05.2018 & 07.06.2018 passed by the National Company Law Tribunal, Bench at New Delhi in Company Application No.CA (CAA)-70(ND)/2018;
- (ii) Memorandum and Articles of Association of the Applicant Companies;

- (iii) Annual Accounts and Reports of the Applicant Companies as on 31st March, 2017;
- (iv) Financial results (unaudited) for the period ended 31<sup>st</sup> March 2018 of the Transferee Company submitted to the Stock Exchanges in the prescribed format.
- (v) Register of Shareholding of Directors' and Key Managerial Personnel of the Applicants and their relatives of Applicant Companies;
- (vi) Certificates of the Auditors of the Applicants confirming the accounting treatment under the Scheme;
- (vii) All other documents displayed on the Transferee Company's website in terms of the SEBI Circular dated 10th March, 2017.

Dated this 15<sup>th</sup> day of June, 2018.

Sd/-  
Raja Ram Dalmia  
Director  
DIN: 00083654

Drawn on behalf of Applicants by:  
Vikas Verma & Associate  
B 502, Statesman House,  
148, Barakhamba Road,  
New Delhi- 110001

**SCHEME OF AMALGAMATION**  
**UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013**  
**BETWEEN**  
**PRICELESS OVERSEAS LIMITED (AMALGAMATING COMPANY)**  
**AND**  
**P G INDUSTRY LIMITED (AMALGAMATED COMPANY)**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS & CREDITORS**

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**PART I**  
**INTRODUCTION, DEFINITIONS AND INTERPRETATION**

**1. INTRODUCTION, DEFINITIONS AND INTERPRETATION**

**1.1 Introduction**

**1.1.1 P G Industry Limited**

- (i) **P G Industry Limited** (hereinafter referred to as the “PG” or “Amalgamated / Transferee Company”) having CIN L74899DL1993PLC056421, was initially incorporated as a public limited company under the Companies Act, 1956 vide certificate of incorporation dated on December 13, 1993 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. The Amalgamated / Transferee Company has its registered office situated at A - 30, S - 11, Second Floor, Kailash Colony, New Delhi – 110048.
- (ii) The shares of the Amalgamated Company are, at present, listed on the Bombay Stock Exchange & The Calcutta Stock Exchange.
- (iii) The main objects of the Amalgamated Company as per its memorandum of association are as follows:
  - 1. To establish and carry on trade or business of preparing, mining, cutting, polishing, processing, treating, importing, exporting, purchasing, selling of all types of marble, granite, laterite, lime stone, sand stone, slabs, tiles (including ceramic and Marble) and other building material and colour stones of every description and type, including setting, processing, trading or dealing into waste and by products arising from the mining or processing of marbles and colour stones.
  - 2. To enter in arrangement of rendering and obtaining technical collaboration for the manufacturer of plant and machinery for industries such as cutting, polishing of marble, stones, slates, granite.

**1.1.2 Priceless Overseas Limited**

- (i) Priceless Overseas Limited (hereinafter referred to as the “POL” or “Amalgamating / Transferor Company”) having CIN U74899DL1995PLC074681, was incorporated as a public limited company under the Companies Act, 1956 vide certificate of incorporation dated on December 15, 1995 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. The Amalgamated / Transferee Company has its registered office situated at A - 30, S - 11, Second Floor, Kailash Colony, New Delhi – 110048.
- (ii) The main objects of the Amalgamating Company 2 as per its memorandum of association are as follows:
1. To carry on the business as buyers, departmental stores, sellers, importers, exporters, distributors, agents brokers, factors stockists, commission and agents, dealers of:
    - (a) All kinds of fabrics textiles such as decorative, hand and machine made readymade garments, carpets, durries; mats, rugs, namdas, blankets, shawls, tweeds, linens, flannels, beds spreads, quilts, scarfs, belts tapestry and all other articles of silk cotton, woollen and worsted materials and all sorts of apparels, dressing materials, mixed, blended products, nylon, polyester fibre hosiery and mixed fabrics, natural silk fabrics garments.
    - (b) Engineering goods, machine tools, hand tools, small tools, metals, alloys iron, pipe fittings, nuts and bolts, bicycles and accessories, automobiles parts, steels and stainless steel and iron products, ores and scraps, metallurgical residues hides, skins, leather goods, furs, bristles, tobacco (raw and manufactured) hemp seeds, oils and cakes, vanaspati, textile, fibre and waste coir, and jute and products thereof, wood and timber, bones crushed and uncrushed, industrial diamonds, coal and charcoal, glue, gums and resins, ivory, lac, shellac, manures pulp, or wood rags, rubber, tanning substance, wax, quartz crystal, chemicals and, chemical, preparations, plastic and linoleum articles, glass ware, handicrafts handloom, toys, gold, precious stones, ornaments, jewellery pearls, drugs and medicines, soaps, paints, instruments, apparatus and appliances machinery and mill work and parts thereof, paper and stationery. News Prints, sports goods, druggets, in dressing materials, cosmetics, wigs, belting, cinematograph films exposed, rubber and plastic goods, starch, umbrellas, crown, corks, batteries, surgical and musical instruments, marble and hardware items traditional calenders all kinds of books and manuscripts, electric and electronic products of all kinds, sanitaryware and fittings, woollen textiles, natural fibre, products, cellulose and cellulosic products, mixed blended products, fish and fish products, fodder bran, Flowers. Agro Products, fruits, nuts, cashewnuts, kernels, grains, pulses, flour, confectionery provisions, alcohol, beverages, perfumes spirits, spices and tea coffee, sugar and molasses, vegetables non-vegetable products, processed foods and packed food products, all kinds of fabric, garments and hosiery goods, Agarbatti, Dhupbatti carpets, Durries, furnitures and packing materials.



2. To act as an export house, tradings house, liaison agent and consultant in respect of the business as referred to in sub-clause (1) above.
3. To act as export agents and purchase and sale representatives to stockists, processing units, units engaged in village industries, home industries, cottage industries, small and medium scale industries in connection with the business as referred to in subclause (1) above.
4. To carry on the business of export, import, trade, liaison, agent and deal in all kinds of consumer products, goods, articles, and commodities and International trading items, in marbles, granites, tiles, slabs, dolomite, state, sand stone, natural stone, and articles of stone, marble, granite, and slates.

### **1.1.3 RATIONALE OF THE SCHEME**

- (i) The amalgamated company has better market approach and wider clientele in terms of project sales and is more sustainable and efficient than amalgamating company. Therefore, shareholders and management shall have better and wider approach.
- (ii) The proposed amalgamation and restructuring would result in the following benefits:
  - a. Operational rationalization, organizational efficiency and optimal utilization of various resources due to pooling of management, administrative and technical skills of various resources of both the companies, better administration, and cost reduction, including reduction in managerial, administrative and other common costs;
  - b. Focused attention approach on the businesses and better alignment, coordination and streamlining of day to day operations of both the companies, leading to improvement in overall working culture and environment;
  - c. Creation of value for various stakeholders and shareholders of both the companies, as a result of all of the foregoing; and
  - d. Greater administrative efficiency.

### **1.1.4 The Scheme is divided into five parts:**

- (i) **Part I** sets-forth the Introduction, Definitions and Interpretation;
- (ii) **Part II** sets-forth the capital structure of the Amalgamated Company and Amalgamating Company;
- (iii) **Part III** deals with the amalgamation of the Amalgamating Company into and with the Amalgamated Company, in accordance with sections 230 to 232 of the 2013 Act;
- (iv) **Part IV** deals with consideration, accounting and tax treatments in the Financial Statements of the Amalgamated Company pursuant to the amalgamation of the Amalgamating Company in the Amalgamated Company and in terms of this Scheme; and
- (v) **Part V** deals with general/residuary terms and conditions.

## **DEFINITIONS**

### **1.2 DEFINITIONS**

1.2.1 **“2013 Act”** means the Companies Act, 2013 and the rules made thereunder and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;

1.2.2 **“Amalgamating Company”** shall mean Priceless Overseas Limited, as defined in Clause 1.1.2 of Part I, and includes:

- (i) any and all of its assets, whether movable or immovable, whether present or future, whether tangible or intangible, leasehold or freehold, all rights, title, interests, covenants, undertakings, liabilities, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
- (ii) any and all loans and advances (including inter-corporate loans), including accrued interest thereon, receivables, funds, cash, bank balances, investments, accounts, and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent;
- (iii) without prejudice to generality of the foregoing, Amalgamating Company shall include all investments in the capital of other companies, whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates including dividends declared and other accrued benefits thereto;
- (iv) any and all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, municipal permissions, balances with Governmental Authorities, intellectual property rights including trade names, trademarks, service marks, copyrights, domain names, income tax credit, advance tax, applications for trade names, trademarks, service marks, copyrights, powers and facilities of every kind and description whatsoever, pertaining to the Amalgamating Company;
- (v) any and all secured and unsecured debts, borrowings and liabilities (including contingent liabilities), present or future, undertakings and obligations of the Amalgamating Company;
- (vi) any and all employees, who are on the pay roll of the Amalgamating Company, including those engaged at its offices at their current terms and conditions, including all employee benefits such as provident fund, employees' state insurance, gratuity fund, superannuation fund;

(vii) any and all advance monies, earnest monies and/or security deposits, trade payables, payment against warrants or other entitlements, in connection with or relating to the Amalgamating Company; and

(viii) all records, files, papers, information, computer programs, relating to Amalgamating Company.

1.2.3 **“Amalgamated Company”** means P G Industry Limited, as defined in Clause 1.1.1 of Part I above;

1.2.4 **“Applicable Law(s)”** means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question;

1.2.5 **“Appointed Date”** means closing hours of March 31, 2017 or such other date as may be approved by NCLT;

1.2.6 **“Board of Directors”/ “Board”** in relation to the Amalgamating Company and/or the Amalgamated Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee as may be constituted by the board of directors;

1.2.7 **“Clause” and “sub-Clause”** means the relevant clauses and sub-clauses set out in this Scheme;

i. **“Effective Date”** means the date on which the Scheme shall become effective pursuant to Clause 11 of Part V of this Scheme. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” or “after this Scheme becomes effective” means and refers to the Effective Date;

1.2.9 **“Financial Statements”** would include stand alone and consolidated accounts;

1.2.10 **“Governmental Authority”** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof;

- 1.2.11“**NCLT**” means the National Company Law Tribunal, New Delhi Bench, to which this scheme of amalgamation in its present form is submitted for its sanctioning under sections 230 to 232 of the 2013 Act;
- 1.2.12“**New Equity Shares**” shall mean the equity shares to be issued to members of Amalgamating Company under Clause 4.;
- 1.2.13“**Promoters**” shall mean Mrs. Manju Devi Dalmia, Mr. Amit Dalmia, Mr. Saket Dalmia, Mrs. Pooja Dalmia and M/s Newlook Vinimay Private Limited. The said promoters are inter-alia included in the category of promoter and promoter group as defined under the SEBI (Issue of Capital and Disclosure requirements), Regulations, 2009;
- 1.2.14“**Record Date**” shall mean the date to be fixed by the Board of Directors of the Amalgamating Company and the Amalgamated Company for the purpose of determining the members of the Amalgamating Company to whom shares will be allotted pursuant to Clause 4.1 of this Scheme;
- 1.2.15“**SEBI**” shall mean Securities And Exchange Board of India;
- 1.2.16“**Scheme**” or “the Scheme” or “this Scheme” means this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the 2013 Act, as applicable, and under all other applicable laws;
- 1.2.17“**Share Entitlement Report**” shall mean the valuer report on the share entitlement ratio dated September 16, 2017 issued by M/s. S C Verma & Associates, Chartered Accountants; and
- 1.2.18“**Stock Exchanges**” means The BSE Limited and The Calcutta Stock Exchange Limited.

### **1.3 INTERPRETATION**

- 1.3.1 The terms “hereof”, “herein”, “hereby”, “hereto” and derivative or similar words used in this Scheme refers to this entire Scheme.
- 1.3.2 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the 2013 Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, guidelines, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the NCLT in this Scheme.

## **1.4 DATE OF TAKING EFFECT AND OPERATIVE DATE**

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

## **PART II SHARE CAPITAL STRUCTURE**

### **2. CAPITAL STRUCTURE**

2.1 The share capital of Amalgamated Company as on March 31, 2017 was as under:

<b>Share Capital</b>	<b>Amount in Rupees</b>
<b>Authorized Capital</b>	
70,00,000 equity shares of Rs. 10/- each	7,00,00,000
<b>Total</b>	<b>7,00,00,000</b>
<b>Issued , Subscribed and fully paid up</b>	
46,24,220 Equity Shares of Rs.10/- each	4,62,42,200
<b>Total</b>	<b>4,62,42,200</b>

2.2 The share capital of Amalgamating Company as on March 31, 2017 was as under:

<b>Share Capital</b>	<b>Amount in Rupees</b>
<b>Authorized Capital</b>	
82,50,000 equity shares of Rs. 10/- each	8,25,00,000
<b>Total</b>	<b>8,25,00,000</b>
<b>Issued , Subscribed and fully paid up</b>	
80,96,605 Equity Shares of Rs.10/- each	8,09,66,050
<b>Total</b>	<b>8,09,66,050</b>

## **PART-III AMALGAMATION OF AMALGAMATING COMPANY WITH AMALGAMATED COMPANY**

### **3. THE TRANSFER BY WAY OF AMALGAMATION OF AMALGAMATING COMPANY WITH AMALGAMATED COMPANY**

3.1 With effect from the Appointed Date, and upon the Scheme becoming effective, the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company, as a going concern,

without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein.

3.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, investments, rights, benefits and interest therein of the Amalgamating Company shall, with effect from the Appointed Date, stand transferred to and be vested in the Amalgamated Company, without any further act or deed, and by virtue of the order passed by the NCLT. Without prejudice to the generality of the above, and in particular, the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company in the manner described in sub-clauses (i) to (xi) below:

- (i) all assets of the Amalgamating Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly. No stamp duty is payable on the transfer of such movable properties, being vested in the Amalgamated Company;
- (ii) all movable properties of the Amalgamating Company, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, shall without any further act, instrument or deed, become the property of the Amalgamated Company;
- (iii) all immovable properties of the Amalgamating Company, if any, whether freehold or leasehold, and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company;
- (iv) all investments including the investments made by Amalgamating Company in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates and other accrued benefits thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company;
- (v) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Company, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company and the Amalgamated Company

undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;

- (vi) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company, or to the benefit of which, the Amalgamating Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto;
- (vii) any pending suit/appeal or other proceedings of whatsoever nature relating to the Amalgamating Company, whether by or against the Amalgamating Company, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation of the Amalgamating Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company, as if this Scheme had not been made. The Amalgamated Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to Amalgamating Company;
- (viii) all employees of the Amalgamating Company, who are on its pay roll shall be engaged by the Amalgamated Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever, in accordance with the provisions of applicable laws and in terms of this Scheme. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company for such purpose, shall be treated as having been continuous;
- (ix) all statutory licenses, permissions or approvals or consents held by the Amalgamating Company required to carry on its operations shall stand transferred to and be vested in the Amalgamated Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Amalgamated Company. The benefit of all statutory and regulatory permissions, approvals and consents of the

Amalgamating Company shall vest in and become available to the Amalgamated Company pursuant to the Scheme;

- (x) any and all registrations, goodwill, licenses appertaining to the Amalgamating Company shall stand transferred to and vested in the Amalgamated Company; and
- (xi) all taxes payable by the Amalgamating Company, if any, including all or any refunds of claims shall be treated as the tax liability or refunds/claims as the case may be of the Amalgamated Company.

### **3.3 Procedural Formalities Post Sanction of the Scheme**

- 3.3.1 The Amalgamated Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company has been a party, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company.
- 3.3.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Amalgamating Company and/or the Amalgamated Company shall, if required, simultaneously with the amendment in the register of charges, file particulars of the modified charge with the concerned Registrar of Companies. Any documentation subsequently entered into with the term lenders or the working capital lenders of the Amalgamating Company and the Amalgamated Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Amalgamating Company.
- 3.3.3 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses (together the “Licenses”, for the purpose of this Clause 3.3.3) relating to the Amalgamating Company, shall stand transferred to and vested in the Amalgamated Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Amalgamated Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Amalgamated Company based on the sanction order of the Scheme by NCLT.



- 3.3.4 Upon the Scheme becoming effective, the Amalgamated Company is expressly entitled to revise its direct or indirect tax returns and related withholding certificates and shall be entitled to claim refund, advance tax credits pertaining to Amalgamating Company, if any.
- 3.3.5 From the Effective Date, all bank accounts of the Amalgamating Company shall be permitted to be continued with the same balances as of the Effective Date in the name of the Amalgamated Company and for statistical record the Amalgamated Company shall be permitted to file names and particulars of the new authorized signatories for withdrawals and/ or deposits/ credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.

### **3.4 Conduct of Business**

3.4.1 With effect from the Appointed Date and until occurrence of the Effective Date:

- (i) the Amalgamating Company undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company; and
- (ii) all profits accruing to the Amalgamating Company and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company; and
- (iii) the Amalgamating Company shall carry on its business, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/ assets, except : (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in NCLT; or (c) when a prior written consent of the Amalgamated Company has been obtained in this regard; and
- (iv) except by mutual consent of the Board of Directors of the Amalgamating Company and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by NCLT, the Amalgamating Company shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or

in any other manner, which would have the effect of reorganisation of capital of the Amalgamating Company; and

- (v) the Amalgamating Company shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Amalgamating Company, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of the Amalgamated Company; and
- (vi) the Amalgamating Company shall not alter or substantially expand its business except with the written concurrence of the Amalgamated Company; and
- (vii) the Amalgamating Company shall not amend its Memorandum of Association and / or its Articles of Association, except with the written concurrence of the Amalgamated Company.

3.5 Notwithstanding anything contained in this Scheme, subject to the Applicable Laws, the Board of Directors of the Amalgamated Company shall be entitled to consider, pursue, manage, undertake and conduct business of Amalgamated Company inter-alia including, any corporate actions, issue of securities and bonus shares, buy back of securities, reorganization, restructuring of its businesses, strategic acquisition or sale of any business, joint ventures, business combinations etc., as it may deem prudent and necessary in the interest of the Amalgamated Company.

3.6 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Amalgamating Company as on the Appointed Date, whether or not provided in their books, and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Amalgamated Company.

3.7 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company.

3.8 Upon this Scheme becoming effective, the Amalgamating Company shall stand dissolved, without following the procedure of winding up prescribed under The Insolvency And Bankruptcy Code, 2016, as may be applicable.

3.9 For the purpose of giving effect to the amalgamation order passed under sections 230 to 232 and other applicable provisions of the 2013 Act, as applicable, in respect of the Scheme by NCLT, the Amalgamated Company shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company, in accordance with the provisions of sections 230 to 232 of the 2013 Act.

**PART-IV**  
**CONSIDERATION, ACCOUNTING TREATMENT AND TAX TREATMENT OF**  
**AMALGAMATED COMPANY**

**4. CONSIDERATION**

4.1. Upon the coming into effect of the Scheme, and in consideration of the amalgamation of the Amalgamating Company with the Amalgamated Company pursuant to Part III – Section A of the Scheme, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the Share Entitlement Report, issue and allot to the shareholders of Amalgamating Company (whose name is recorded in the register of members of the Amalgamating Company) in the number of equity shares as held by the Amalgamating Company in the Amalgamated Company in the following manner:

1(One) Equity Share of Rs.10/- (Rupees Ten) each of the Amalgamated Company for every 6 (Six) Equity Share of Rs.10/- (Rupees Ten) each held in the Amalgamating Company.”

4.2. In the event that the New Equity Shares entitled to be issued result in fractional entitlements, the Board of Directors of the Amalgamated Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares.

4.3. Pursuant to issuance of New Equity Shares as aforesaid to the shareholders of the Amalgamating Company, the shareholders of the Amalgamating Company shall become the shareholders of the Amalgamated Company.

4.4. Since the equity shares of the Amalgamated Company are dematerialized, the shareholders of the Amalgamating Company shall be issued New Equity Shares in dematerialized form or as may be prescribed by the Board of Director of the Amalgamated Company.

4.5. Upon New Equity Shares being issued and allotted by the Amalgamated Company to the members of the Amalgamating Company, in accordance with Clause 4 .1, the share certificates in relation to the shares held by the said members in the Amalgamating Company shall stand cancelled and extinguished and be of no effect on and from the date of such issue and allotment.

New Equity Shares of the Amalgamated Company issued in terms of Clause 5 .1 of this Scheme will be listed and/ or admitted to trading on the Stock Exchanges where the shares of the Amalgamated Company are listed and/or admitted to trading subject to necessary approvals under SEBI regulations and from the Stock Exchanges and all necessary applications and compliances being made in this respect by the Amalgamated Company.

- 4.6. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Amalgamating Company, the Board of Directors of the Amalgamated Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on Record Date, in order to remove any difficulties, after the effectiveness of this Scheme.
- 4.7. Subject to Clause 5 below, the New Equity Shares to be issued to the members of Amalgamating Company under Clause 4.1 above shall be subject to the Memorandum and Articles of Association of Amalgamated Company and shall rank pari passu with the existing equity shares of Amalgamated Company in all respects for the financial year starting from the Appointed Date in terms of the Scheme with the existing equity shares of Amalgamated Company.
- 4.8. For the purpose of stamp duty to be levied, if any, on the issue of New Equity Shares, Appointed Date shall be deemed as relevant date.
- 4.9. For the purpose of issue of New Equity Shares to the shareholders of the Amalgamating Company, the Amalgamated Company shall be deemed to be in compliance with necessary compliances under relevant provisions of 2013 Act and SEBI Regulations for the issue and allotment by the Amalgamated Company of New Equity Shares to the members of the Amalgamating Companies under the Scheme.

## **5. DIVIDEND PAYABLE BETWEEN APPOINTED DATE AND EFFECTIVE DATE**

- 5.1. Notwithstanding anything provided in this Scheme, in case dividend (including interim dividend), is declared either by Amalgamated Company or Amalgamating Company prior to the Effective Date, it shall be payable to their respective shareholders whose name is recorded in the register of members of the Amalgamated Company and/ or Amalgamating Company as holding equity shares on the date of declaration of such dividend or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Amalgamated Company and/ or Amalgamating Company.
- 5.2. It is clarified that the aforesaid provision in respect of declaration of dividends is an enabling provision only and shall not be deemed to confer any right on any member of the Amalgamated Company and Amalgamating Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamated Company and Amalgamating Company and subject to the approval of the respective shareholders of the Amalgamated Company and Amalgamating Company.

## **6. CHANGE IN AUTHORISED SHARE CAPITAL**

- 6.1 Upon this Scheme becoming effective and upon the vesting and transfer of the Amalgamating Company in the Amalgamated Company pursuant to the terms of this Scheme, the entire authorized share capital of the Amalgamating Company shall stand transferred from the authorized share capital of the Amalgamating Company to the authorized share capital of the Amalgamated Company.
- 6.2 By virtue of Clause 6.1 above, the authorized share capital of the Amalgamated Company shall stand increased by an amount of Rs. 8,25,00,000 (Rupees Eight Crore Twenty Five Lac) and Clause V in the memorandum of association of the Amalgamated Company shall stand substituted to read as follows:
- “V. The Authorized Share Capital of the Company is Rs.15,25,00,000 (Rupees Fifteen Crore Twenty Five Lac only) divided into 1,52,50,000 (One Crore Fifty Two Lac Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each.”
- 6.3 The stamp duty or filing fees paid on the authorized share capital of the Amalgamating Company is permitted to be utilized and applied towards the increase in the authorized share capital of the Amalgamated Company in accordance with this Clause 6.1 and 6.2 above, and no further demand of additional stamp duty or fee shall be raised or made upon the Amalgamated Company by any regulatory authorities in relation to such increase in the authorized share capital of the Amalgamated Company, including by the Registrar of Companies, National Capital Territory of Delhi and Haryana.
- 6.4 It is hereby clarified that for the purposes of increasing the authorized share capital of the Amalgamated Company in accordance with Clause 6.1 and 6.2 above, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under section 13, section 61 or any other applicable provisions of the 2013 Act, would be required to be separately passed.

## **7. ACCOUNTING TREATMENT**

- 7.1 With effect from the Appointed Date and upon the Scheme becoming effective, Amalgamated Company shall account for the amalgamation of Amalgamating Company in its books of account. All the assets and liabilities of Amalgamating Company, is/shall stand transferred to and vested in Amalgamated Company pursuant to the Scheme and shall be recorded by Amalgamated Company at their book values with effect from the Appointed Date.
- 7.2 Amalgamated Company shall credit the aggregate face value of New Equity Shares issued by it to the shareholders of Amalgamating Company pursuant to Clause 4.1 of this Scheme to the Share Capital Account in its books of accounts.

- 7.3 The difference between assets and liabilities, as taken over, and face value of New Equity Shares issued to be adjusted in appropriate account under equity of the amalgamated company.

## **8. TAX**

- 8.1 Any tax liabilities under the Income Tax Act, 1961 or other applicable laws/regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Amalgamated Company.
- 8.2 Any surplus in the provision for taxation/ duties/ levies account including but not limited to the advance tax, tax deducted at source by the customers and MAT credit, CENVAT credit, as on the date immediately preceding the Appointed Date will also be transferred to Amalgamated Company. Any refund under the Income Tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating Companies or due to Amalgamating Companies, consequent to the assessment made in respect of Amalgamating Company, for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Amalgamated Company.
- 8.3 The tax payments (including without limitation income tax, tax on distribution of dividends, Goods and service tax, excise duty, central sales tax, applicable state value added tax or any other taxes as may be applicable from time to time) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by Amalgamating Company after the Appointed Date, shall be deemed to be paid by Amalgamated Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either the Amalgamating Company or the Amalgamated Company on account of intercompany transactions between Amalgamated Company and Amalgamating Company post the Appointed Date, shall be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.
- 8.4 Upon the Scheme becoming Effective, with effect from the Appointed Date, Amalgamating Company and Amalgamated Company are expressly permitted to prepare and/or revise, as the case may be, their financial statements and returns along with the prescribed forms, filings and annexure under the Income Tax Act, 1961, central sales tax, applicable state value added tax, Goods and service tax laws and other tax laws, if required, to give effects to provisions of the Scheme.
- 8.5 All tax assessment proceedings/appeals of whatsoever nature by or against the Amalgamating Company pending and/or arising at the Appointed Date and relating to Amalgamating Company shall be continued and/or enforced until the Effective Date as desired by Amalgamated Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against Amalgamated Company in the same manner and to the same extent as would or might have

been continued and enforced by or against Amalgamating Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Amalgamating Company with Amalgamated Company or anything contained in the Scheme.

Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Amalgamating Company shall be made or deemed to have been made and duly complied with by the Amalgamated Company.

- 8.6 The provisions of this Scheme as they relate to the amalgamation of Amalgamating Company into and with Amalgamated Company have been drawn up to comply with the conditions relating to “amalgamation” as defined under section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.

## **PART-V**

### **GENERAL / RESIDUARY TERMS AND CONDITIONS**

#### **9. APPLICATION TO NCLT**

The Amalgamated Company and the Amalgamating Company shall, with all reasonable dispatch, make respective applications to the NCLT and or applicable authority, under sections 230 to 232 of 2013 Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the 2013 Act.

10. Turnaround Corporate Advisors Private Limited., a SEBI registered Category I merchant banker, pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, under its fairness opinion dated September 16, 2017, has certified that the Share Entitlement Report in reference to the Scheme, is fair and reasonable.

#### **11. CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

- (a) The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Amalgamating Company and Amalgamated Company as may be directed by the NCLT under Section 230- 232 of the 2013 Act;

- (b) The Scheme being approved by the shareholders of the Amalgamated Company through resolution passed in terms of Para 9 (a) & (b) of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as may be amended from time to time, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the votes cast by the public shareholders against it;
- (c) The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
- (d) The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, National Capital Territory of Delhi and Haryana, by the Amalgamating Company and Amalgamated Company, as the case may be;
- (e) Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

## **12. MODIFICATION OR AMENDMENTS TO THE SCHEME**

- 12.1 The Amalgamating Company and the Amalgamated Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. The Amalgamating Company and the Amalgamated Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.
- 12.2 In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Amalgamating Company and Amalgamated Company may find unacceptable for any reason, then the Amalgamating Company and/or Amalgamated Company are at liberty to withdraw the Scheme. The Board of Directors of Amalgamating Company and Amalgamated Company shall be entitled, in a mutually agreeable manner, to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on Amalgamating Company and/or Amalgamated Company.
- 12.3 If any issue arises as whether any asset, liability, employee pertains to the Amalgamating Company and/or Amalgamated Company, or not under this Scheme, the same shall be decided by the Board of Directors of the Amalgamating Company and/or Amalgamated Company, as relevant, on the basis of relevant books of account and other evidence that they may deem relevant for said purposes.



### **13. EFFECT OF NON-RECEIPT OF APPROVALS**

- 13.1 In the event that the Scheme is not sanctioned by the NCLT or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, the transferee Company shall bear the cost, charges and expenses in connection with the Scheme unless otherwise mutually agreed.
- 13.2 The non – receipt of any sanctions or approvals for a particular asset or liability forming part of the Amalgamating Company getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Amalgamating Company and/or Amalgamated Company so decide. In the event of non – receipt of approval of any lender / creditor for the transfer of any liability, then at the option of the Boards of Directors of the Amalgamating Company, it may issue a security / recognize a liability in favour of Amalgamated Company on the same terms. The transfer of such asset or liability shall become effective from the Appointed Date as and when the said requisite approvals are received or aforesaid liability being recognized / security being issued and the provisions of the Scheme shall apply appropriately to the said transfer / issue / recognition.

### **14. COSTS, CHARGES & EXPENSES**

- 14.1 Except as otherwise expressly provided in the Scheme, the transferee company shall pay the costs, charges and expenses in connection with the Scheme, including the stamp duty, if any, in relation to the Scheme within 30 (thirty) days or as may be prescribed by the order of the NCLT.
- 14.2 Upon the Scheme becoming effective all taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Company and Amalgamated Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

### **15. INDEMNIFICATION**

The Promoters shall indemnify the Amalgamated Company and keep Amalgamated Company indemnified for any and all contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party (ies) including Governmental Authorities on Amalgamated Company and are directly relatable to Amalgamating Company or which may devolve on Amalgamated Company on account of this amalgamation. The Promoters shall secure, deposit or pay, as the case may be, any legal demand raised by the Governmental Authority within the time frame provided therein.

## **16. MISCELLANEOUS**

If any part of this Scheme hereof is invalid, ruled illegal by NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Company and Amalgamated Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to Amalgamating Company and/or Amalgamated Company, in which case the Amalgamating Company and Amalgamated Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Company and Amalgamated Company the benefits and obligations of the Scheme, including but not limited to such Part.

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## PROVISIONAL BALANCE SHEET AS AT MARCH 31, 2018

EQUITY AND LIABILITIES		Note no.	Provisional As at 31 March 2018	Audited As at 31 March 2017
ASSETS				
(1)	Non-current assets			
	(a) Property, plant and equipment	4	88,883,228.68	82,822,746.77
	(b) Financial assets			
	(i) Investments	5	9,381.00	114,381.00
	(c) Deferred tax assets (Net)	6	-	2,013,792.00
(2)	Current assets			
	(a) Inventories	7	310,849,946.00	237,929,662.00
	(b) Financial assets			
	(i) Trade Receivables	8	106,442,363.94	94,494,693.44
	(ii) Cash and cash equivalents	9	9,029,712.98	21,311,208.68
	(iii) Loans and advances	10	61,727,857.16	63,416,256.85
TOTAL			576,942,489.76	502,102,740.74
EQUITY AND LIABILITIES				
Equity				
	(a) Equity Share capital	11	46,242,200.00	46,242,200.00
	(b) Other equity	12	74,531,724.37	73,618,054.55
LIABILITIES				
(1)	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	13	145,175,622.93	133,330,086.91
	(b) Provisions		-	-
	(c) Deferred tax liabilities (Net)	6	4,496,020.00	-
(2)	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	14	163,659,086.17	176,337,289.14
	(ii) Trade payables	15	114,986,764.71	33,144,416.23
	(iii) Other financial liabilities	16	-	-
	(b) Other current liabilities	17	23,768,141.58	36,778,298.91
	(c) Short-term provisions	18	4,082,930.00	2,652,395.00
TOTAL			576,942,489.76	502,102,740.74

See accompanying notes to the financial statements

1-27

As certified by Management of the Company

Sd/-  
Saket Dalmia  
Managing Director  
DIN:00083636

Sd/-  
Amit Dalmia  
Director  
DIN: 00083646

Place: Delhi

Date: 02.05.2018

**P G INDUSTRY LIMITED**
**PROVISIONAL STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2018**

Particulars	Note no.	Provisional For the year ended 31 March 2018	Audited For the year ended 31 March 2017
Revenue from operations (Gross)	19	650,526,901.98	502,843,464.97
Less: Sales Tax/ GST		89,688,279.98	31,215,774.00
Revenue from operations (Net)	24	560,838,622.00	471,627,690.97
Other income	20	704,953.00	1,035,717.56
<b>Total revenue</b>		<b>561,543,575.00</b>	<b>472,663,408.53</b>
<b>Expenses</b>			
Cost of materials consumed	21	412,965,162.89	359,948,828.63
Employee benefit expense	22	26,587,599.00	16,081,330.00
Finance cost	23	28,618,726.46	20,614,492.44
Depreciation and amortisation expense	24	5,352,155.51	4,846,950.95
Other expense	25	76,149,417.32	63,523,359.71
<b>Total expenses</b>		<b>549,673,061.18</b>	<b>465,014,961.73</b>
<b>Profit/ (loss) before exceptional items and tax</b>		11,870,513.82	7,648,446.80
Exceptional items		-	-
<b>Profit/ (loss) before tax</b>		<b>11,870,513.82</b>	<b>7,648,446.80</b>
<b>Tax expense</b>			
a) Current tax		4,082,930.00	2,652,395.00
b) Deferred tax		6,509,812.00	(49,100.00)
c) Income tax adjustment for earlier years		364,102.00	455,811.00
<b>Profit/ (loss) for the period</b>		<b>913,669.82</b>	<b>4,589,340.80</b>
<b>Other comprehensive income</b>			
- Items that will not be reclassified to profit or loss		-	-
- Items that will be reclassified to profit or loss		-	-
<b>Total comprehensive income for the period</b> <i>(Profit/ loss + other comprehensive income)</i>		<b>913,669.82</b>	<b>4,589,340.80</b>
<b>Earnings per equity share (for continuing operations)</b>	26		
a) Basic		0.20	0.99
b) Diluted		0.20	0.99

**See accompanying notes to the financial statements**
**1-27**

As certified by Management of the Company

Sd/-  
Saket Dalmia  
Managing Director  
DIN:00083636

Sd/-  
Amit Dalmia  
Director  
DIN: 00083646

Place: Delhi

Date: 02.05.2018

**P G INDUSTRY LIMITED**

Statement of changes in Equity for the period ended 31st March, 2018

PROVISIONAL

Particulars	Notes	Equity Share Capital	Reserves and surplus				Other reserves			Total
			General reserve	Capital reserve	Capital redemption reserve	Retained earnings	Instruments through Other Comprehensive Income	Hedging reserve		
As at April 1, 2017	12,13	46,242,200.00	2,862,173.00	-	-	70,755,881.55	-	-	119,860,254.55	
Profit for the period		-	-	-	-	913,669.82	-	-	913,669.82	
Other comprehensive income		-	-	-	-	-	-	-	-	
Interim equity dividend including taxes thereon		-	-	-	-	-	-	-	-	
Transfer from retained earnings to general reserve		-	-	-	-	-	-	-	-	
TDS & Depreciation Adjustment		-	-	-	-	-	-	-	-	
As at March 31, 2018		46,242,200.00	2,862,173.00	-	-	71,669,551.37	-	-	120,773,924.37	

Statement of changes in Equity for the period ended 31st March, 2017

PROVISIONAL

Particulars	Notes	Reserves and surplus				Other reserves			Total
		Equity Share Capital	General reserve	Capital reserve	Capital redemption reserve	Retained earnings	Instruments through Other Comprehensive Income	Hedging reserve	
As at April 1, 2016	12,13	46,242,200.00	2,862,173.00	-	-	66,166,540.75	-	-	115,270,913.75
Profit for the period		-	-	-	-	4,589,340.80	-	-	4,589,340.80
Other comprehensive income		-	-	-	-	-	-	-	-
Interim equity dividend including taxes thereon		-	-	-	-	-	-	-	-
Transfer from retained earnings to general reserve		-	-	-	-	-	-	-	-
Adjustment for Depreciation		-	-	-	-	-	-	-	-
As at March 31, 2017		46,242,200.00	2,862,173.00	-	-	70,755,881.55	-	-	119,860,254.55

As certified by Management of the Company

Sd/-  
Saket Dalmia  
Managing Director  
DIN:00083636

Sd/-  
Amit Dalmia  
Director  
DIN: 00083646

Place: Delhi

Date: 02.05.2018

## **P G INDUSTRY LIMITED**

### **Notes to Provisional Financial Statements for the year ended March 31, 2018**

#### **1 Corporate Information**

P G Industry Limited, 'the Company' was incorporated in India on 13th day December, 1993 and is and is engaged in the manufacturing and selling of Marble.

#### **2 Basis of Preparation of Provisional financial statement**

##### **(i) Statement of compliance and basis of preparation**

These financial statements are prepared, provisionally, in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Up to the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of the Indian GAAP ("Previous GAAP"), which included Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is April 1, 2017.

Accounting policies have been applied consistently to all periods presented in these financial statements.

The financial statements correspond to the classification provisions contained in Ind AS 1, "Presentation of Financial Statements". For clarity, various items are aggregated in the statements of profit and loss and balance sheet. These items are disaggregated separately in the notes to the financial statements, where applicable.

Amounts included in the financial statements are reported in Indian rupees except share and per share data, unless otherwise stated.

##### **(ii) Basis of Measurement**

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the material items which are required to be measured at fair value as required by relevant Ind AS.

##### **(iii) Use of estimates & Judgement**

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

##### **(iv) Revenue recognition**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

##### **(v) Income Taxes**

The tax jurisdictions for the Company is India. Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

**P G INDUSTRY LIMITED**

**Notes to Provisional Financial Statements for the year ended March 31, 2018**

**3 Significant Accounting Policies**

**A Functional and presentation currency**

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

**B Equity**

**Share capital and share premium**

The authorized share capital of the Company as of March 31, 2018, March 31, 2017 and April 1, 2016 is 7,00,00,000 divided into 70,00,000 equity shares of 10 each and paid up capital of company is 4,62,42,200 divided into 46,24,220 shares of 10 each. Par value of the equity shares is recorded as share capital.

**C Property, plant and equipment**

**Recognition and measurement**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset are capitalized as part of the cost.

**Depreciation**

The Company depreciates property, plant and equipment over the estimated useful life of the asset from the date the assets are available for use. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually. Lease hold land is not depreciable

**D Inventories**

Inventories are valued at lower of cost and net realizable value, including necessary provision for obsolescence.

**E Impairment**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value, an impairment loss is charged to the statement of profit and loss in the year in which asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been change in the estimate of recoverable amount. No impairment Profit or Loss has been identified during the year.

**F Retirement and other Employee benefits**

Retirement benefits in the form of Provident Fund are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contribution to the fund is due. There are no other obligations other than the contribution payable to that fund.

**G Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**H Finance cost**

Finance cost comprise interest cost on borrowings made by company against purchase of vehicles.

**I Earning per Share**

Basic Earning Per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

**J Income tax**

Income tax comprises current and deferred tax.

**Note-4 Property Plant & Equipment**

**The Changes in Carrying Value of property, plant & equipment for the year ended March 31, 2018**

**Provisional**

Particulars	Land	Factory Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Blades /Segments	Total
Gross Carrying Value as of April 1, 2017	44,013,879.50	11,180,313.86	47,513,211.60	1,776,107.00	1,446,160.24	1,929,369.00	11,023,117.00	738,050.00	119,620,208.20
Additions	-	-	-	77,000.00	-	-	15,207,418.00	1,164,720.00	16,449,138.00
Deletions	-	-	-	700,900.00	-	-	5,203,291.00	738,050.00	6,642,241.00
Gross Carrying Value as of March 31, 2018	44,013,879.50	11,180,313.86	47,513,211.60	1,152,207.00	1,446,160.24	1,929,369.00	21,027,244.00	1,164,720.00	129,427,105.20
Accumulated Depreciation as of April 1, 2017	-	5,277,925.52	21,421,679.39	875,323.10	1,140,259.23	816,379.89	6,808,100.74	457,793.56	36,797,461.43
Depreciations Accumulated	-	265,065.96	2,168,822.82	340,474.09	180,479.00	235,365.60	1,451,818.83	710,129.21	5,352,155.51
Depreciation on Deletion	-	-	-	700,900.00	-	-	166,790.42	738,050.00	1,605,740.42
Adj. With Retained Earning	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as of March 31, 2018	-	5,542,991.48	23,590,502.21	514,897.19	1,320,738.23	1,051,745.49	8,093,129.15	429,872.77	40,543,876.52
Carrying Value as of March 31, 2018	<b>44,013,879.50</b>	<b>5,637,322.38</b>	<b>23,922,709.39</b>	<b>637,309.81</b>	<b>125,422.01</b>	<b>877,623.51</b>	<b>12,934,114.85</b>	<b>734,847.23</b>	<b>88,883,228.68</b>
Carrying Value as of April 1, 2017	<b>44,013,879.50</b>	<b>5,902,388.34</b>	<b>26,091,532.21</b>	<b>900,783.90</b>	<b>305,901.01</b>	<b>1,112,989.11</b>	<b>4,215,016.26</b>	<b>280,256.44</b>	<b>82,822,746.77</b>



**Note 4 Property Plant & Equipment**

**The Changes in Carrying Value of property, plant & equipment for the year ended March 31, 2017**

**Provisional**

Particulars	Land	Factory Buildings	Plant & Machinery	Office Equipment	Computer Equipment	Furniture & Fixtures	Vehicles	Blades /Segments	Total
Gross Carrying Value as of April 1, 2016	44,013,879.50	11,180,313.86	47,513,211.60	2,855,250.00	1,153,260.24	752,541.00	10,887,649.00	1,105,158.00	119,461,263.20
Additions	-	-	-	733,607.00	292,900.00	1,176,828.00	593,673.00	738,050.00	3,535,058.00
Deletions	-	-	-	1,812,750.00	-	-	458,205.00	1,105,158.00	3,376,113.00
Gross Carrying Value as of March 31, 2017	44,013,879.50	11,180,313.86	47,513,211.60	1,776,107.00	1,446,160.24	1,929,369.00	11,023,117.00	738,050.00	119,620,208.20
Accumulated Depreciation as of April 1, 2016	-	5,012,859.54	19,252,856.57	1,939,090.18	976,054.30	752,541.00	6,420,834.73	798,791.72	35,153,028.04
Depreciations	-	265,065.97	2,168,822.82	748,982.93	164,204.93	63,838.89	671,875.57	764,159.84	4,846,950.95
Adjustment with Reserve & Surplus	-	-	-	-	-	-	-	-	-
Accumulated Depreciation on Deletion	-	-	-	1,812,750.00	-	-	284,609.56	1,105,158.00	3,202,517.56
Accumulated Depreciation as of March 31, 2017	-	5,277,925.51	21,421,679.39	875,323.11	1,140,259.23	816,379.89	6,808,100.74	457,793.56	36,797,461.43
Carrying Value as of March 31, 2017	44,013,879.50	5,902,388.35	26,091,532.21	900,783.89	305,901.01	1,112,989.11	4,215,016.26	280,256.44	82,822,746.77
Carrying Value as of April 1, 2016	44,013,879.50	6,167,454.32	28,260,355.03	916,159.82	177,205.94	-	4,466,814.27	306,366.28	84,308,235.16

# P G INDUSTRY LIMITED

## Significant accounting policies and notes on accounts

Sl. No.	Particulars	Provisional	Audited
		(Amounts in Indian Rupees)	(Amounts in Indian Rupees)
		As at 31st March 2018	As at 31st March 2017
5	<b>Investments</b>		
	<b>Non-Current investments</b>		
	Investment in Equity Shares of other body corporates	9,381.00	114,381.00
	<b>Total Non-current investment</b>	<b>9,381.00</b>	<b>114,381.00</b>
	Aggregate amount of quoted investments and market value thereof	-	-
	Aggregate value of unquoted investment	9,381.00	114,381.00
	Aggregate amount of impairment in value of investments	-	-
	Investments carried at cost	9,381.00	114,381.00
	Investments carried at amortized cost	-	-
	Investment carried at fair value through other comprehensive income	-	-
6	<b>Deferred Tax Assets/ Liabilities (net)</b>		
	<b>Deferred tax assets (A)</b>		
	Impact of expenditure charged to the statement of profit and loss in the current year/ earlier years but allowable for tax purposes on income basis	-	6,336,035.00
	<b>Less: Deferred tax liabilities (B)</b>		
	Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	4,496,020.00	4,322,243.00
	(Refer Note 6.1)		
	<b>Net deferred tax assets (Liability) (A-B)</b>	<b>(4,496,020.00)</b>	<b>2,013,792.00</b>
6.1	Deferred tax assets has been recognised as per balance sheet approach, unabsorbed depreciation and carry forward losses as there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.		
7	<b>Inventories (at lower of cost and net realisable value)</b>		
	Raw materials	51,711,100.00	62,373,120.00
	Stores and spare	302,420.00	305,200.00
	Finished goods	258,836,426.00	175,251,342.00
	<b>Total</b>	<b>310,849,946.00</b>	<b>237,929,662.00</b>
8	<b>Trade Receivables</b>		
	Unsecured, considered good		
	(i) Outstanding for more than six months	29,967,021.31	23,428,802.20
	(ii) Outstanding for Less than six months	76,475,342.63	71,065,891.24
	<b>Total</b>	<b>106,442,363.94</b>	<b>94,494,693.44</b>

# P G INDUSTRY LIMITED

## Significant accounting policies and notes on accounts

Sl. No.	Particulars	Provisional	Audited
		(Amounts in Indian Rupees)	(Amounts in Indian Rupees)
		As at 31st March 2018	As at 31st March 2017
9	<b>Cash and Bank balances</b>		
	<b>Cash and cash equivalents</b>		
	<b>Bank balances</b>		
	Balance with banks	263,114.11	7,732,237.34
	Cash in hand	960,993.87	801,529.34
	<b>Other bank balances</b>		
	Deposits with original maturity of more than 12 months	7,145,630.00	523,231.00
	Deposits with original maturity of more than 3 months but less than 12 months	659,975.00	12,254,211.00
	<b>Total Cash and Cash equivalents</b>	<b>9,029,712.98</b>	<b>21,311,208.68</b>
10	<b>Loans and advances</b>		
	<b>Security Deposits</b>		
	Secured, considered good	-	-
	Unsecured, considered good	1,792,089.51	2,327,089.51
	<b>(A)</b>	<b>1,792,089.51</b>	<b>2,327,089.51</b>
	<b>Advances recoverable in cash or in kind or for value to be received, considered good unless stated otherwise</b>		
	Secured, considered good	-	-
	Unsecured, considered good	27,627,193.88	26,978,176.34
	<b>(B)</b>	<b>27,627,193.88</b>	<b>26,978,176.34</b>
	<b>Others loans and advances</b>		
	<b>Unsecured, considered good</b>		
	Income Tax Refund due	298,640.00	298,640.00
	Income Tax Refund due AY 2009-10	146,769.00	146,769.00
	Income Tax Refund due AY 2010-11	6,839.00	6,839.00
	Income Tax Refund due [AY 2011-12]	853,679.00	853,679.00
	Income Tax Refund due [AY 2012-13]	177,632.00	177,632.00
	Tax Deducted at Source [AY 2017-18]	-	94,207.00
	Tax Deducted at Source [AY 2018-19]	61,337.00	-
	TCS Receivable (AY 2018-19)	131,823.00	-
	Modvat Credit on Excise Duty Receivable	-	25,543,059.00
	E. Cess 2% Receivable on Capital Goods	-	177.00
	E. Cess 1% Receivable on Capital Goods	-	76.00
	E. Cess 2% Receivable on Cenvet Credit	-	866.00
	E. Cess 1% Receivable on Cenvet Credit	-	350.00
	GST Input	26,965,352.42	-
	Intt on Security Electricity Behror Receivable	30,977.00	33,491.00
	Additional Custom Duty Receivable on Slabs	945,684.00	4,141,541.00
	Prepaid expenses	189,841.35	313,665.00
	Advance to Suppliers	-	-
	Advance Custom Duty	2,500,000.00	2,500,000.00
	<b>(C)</b>	<b>32,308,573.77</b>	<b>34,110,991.00</b>
	<b>Total (A+B+C)</b>	<b>61,727,857.16</b>	<b>63,416,256.85</b>

# P G INDUSTRY LIMITED

## Significant accounting policies and notes on accounts

Sl. No.	Particulars	Provisional	Audited
		(Amounts in Indian Rupees)	
		As at 31st March 2018	As at 31st March 2017

### 11 Share Capital

#### Authorised Share Capital

7000000 (7000000) Equity Shares of Rs. 10 each

70,000,000

70,000,000

#### Issued, subscribed and paid-up

4624220 (4624220) Equity Shares of Rs. 10 each

46,242,200

46,242,200

#### Total

46,242,200

46,242,200

#### a) Reconciliation of number of shares outstanding and amount of share capital

	Number	Amount (₹)	Number	Amount (₹)
Equity Shares outstanding at the beginning of the year	4,624,220	46,242,200	4,624,220	46,242,200
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	4,624,220	46,242,200	4,624,220	46,242,200

#### b) Terms/rights attached to equity shares

The company has one class of shares referred to Equity Shares having par value of Rs.10/- each. Each holder of equity share is entitled to one vote per share.

#### c) Shares held by holding company or ultimate holding company or subsidiaries or associates of the holding company or the holding company

There is no holding or ultimate holding company of the company

#### d) The details of Shareholders holding more than 5% of shares

Name of Shareholder	As at 31.03.2018		As at 31.03.2017	
	Number	% of Holding	Number	% of Holding
VPS Constructions Private Limited	707,321	15.30%	698,804	15.11%
PSH Constructions Private Limited	687,838	14.87%	686,078	14.84%
Newlook Vinimay Private Limited	732,864	15.85%	753,114	16.29%
Vishiv Trading Private Limited	308,053	6.66%	270,253	5.84%
S V K Trading Private Limited	477,532	10.33%	478,032	10.34%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### 12 Reserves and surplus

#### General Reserve

Opening Balance

2,862,173.00

2,862,173.00

Add: Reversal of :-

Proposed equity dividend

-

Provision for tax on proposed equity dividend

-

Provision for Gratuity

-

Balance at the end of the year (A)

2,862,173.00

2,862,173.00

#### Surplus in Profit and Loss Account

Opening Balance

70,755,881.55

66,166,540.75

Add : Profit for the year

913,669.82

4,589,340.80

Add : Depreciation & TDS Adjustments

-

-

Balance at the end of the year (B)

71,669,551.37

70,755,881.55

Total reserves and surplus (A+B)

74,531,724.37

73,618,054.55

# P G INDUSTRY LIMITED

## Significant accounting policies and notes on accounts

Sl. No.	Particulars	Provisional	Audited
		(Amounts in Indian Rupees)	
		As at 31st March 2018	As at 31st March 2017
13	<b>Long Term Borrowings</b>		
	<b>Secured Vehicle Loans</b>		
	(i) From Bank (Refer note 14.1)		
	ICICI Bank	4,859,883.10	-
	HDFC Bank	1,866,240.00	-
	<b>Unsecured Loans</b>		
	(i) Loan from Directors	4,023,738.83	16,774,845.91
	(iv) Loan from Others	134,425,761.00	116,555,241.00
		<b>145,175,622.93</b>	<b>133,330,086.91</b>
13.1	Loan against Vehicles has been taken against the hypothecation of Vehicles financed.		
14	<b>Short Term Borrowings</b>		
	<b>Secured Borrowings</b>		
	Cash Credit facility from Bank	148,734,010.33	149,943,950.14
	Buyers Credit from Bank	14,925,075.84	26,393,339.00
		<b>163,659,086.17</b>	<b>176,337,289.14</b>
15	<b>Trade Payables</b>		
	Others	114,986,764.71	33,144,416.23
	<b>Total</b>	<b>114,986,764.71</b>	<b>33,144,416.23</b>
16	<b>Other financial liabilities</b>		
	<b>Current</b>		
	Current Portion of Debt	-	-
		<b>-</b>	<b>-</b>
17	<b>Other liabilities</b>		
	<b>Current</b>		
	Payable towards capital goods	-	-
	Advances from customers	16,306,998.53	14,402,720.25
	Sales tax/ VAT payable	21,661.58	8,807,489.62
	Other payables	5,819,992.47	11,860,422.04
	Service tax payable	-	538,906.00
	TDS payable	1,540,888.00	1,149,066.00
	GST Payable	44,407.00	-
	EPF Payable	21,860.00	14,422.00
	ESI Payable	12,334.00	5,273.00
		<b>23,768,141.58</b>	<b>36,778,298.91</b>
18	<b>Short Term Provisions</b>		
	Provision for Income Tax	4,082,930.00	2,652,395.00
		<b>4,082,930.00</b>	<b>2,652,395.00</b>

As certified by management of the Company

Place: Delhi  
Date: 02.05.2018

Sd/-  
Saket Dalmia  
Managing Director  
DIN:00083636

Sd/-  
Amit Dalmia  
Director  
DIN: 00083646

# P G INDUSTRY LIMITED

## Significant accounting policies and notes on accounts

Sl. No.	Particulars	Provisional	Audited
		(Amounts in Indian Rupees)	
		As at 31st March 2018	As at 31st March 2017
19	<b>Revenue from operations</b>		
	Sales of Products	650,526,901.98	502,843,464.97
	Less: Sales Tax/ GST	89,688,279.98	31,215,774.00
	<b>Total</b>	<b>560,838,622.00</b>	<b>471,627,690.97</b>
20	<b>Other Income</b>		
	Interest income on Bank / Security Deposits	632,953.00	928,640.00
	Rent Received	72,000.00	72,000.00
	Profit on Sale of Motor Vehicle	-	35,077.56
	<b>Total</b>	<b>704,953.00</b>	<b>1,035,717.56</b>
21	<b>Cost of Materials Consumed</b>		
	Inventory at the beginning of the year	237,624,462.00	239,162,695.00
	Add: Purchases & Direct Expenses	485,888,226.89	358,410,595.63
	Less: Inventory at the end of the year	310,547,526.00	237,624,462.00
		<b>412,965,162.89</b>	<b>359,948,828.63</b>
22	<b>Employee benefits expense</b>		
	Salary and Bonus	26,197,180.00	15,657,039.00
	Contribution to PF and other Fund	198,033.00	127,994.00
	Staff Welfare expenses	192,386.00	296,297.00
	<b>Total</b>	<b>26,587,599.00</b>	<b>16,081,330.00</b>
23	<b>Finance Cost</b>		
	Interest Expenses	28,618,726.46	20,614,492.44
		<b>28,618,726.46</b>	<b>20,614,492.44</b>
24	<b>Depreciation &amp; Amortisation Cost</b>		
	Depreciation (Refer Note 4)	5,352,155.51	4,846,950.95
		<b>5,352,155.51</b>	<b>4,846,950.95</b>
25	<b>Other expenses</b>		
	Consumption of Stores and spares	11,900,429.23	10,982,351.00
	Power and fuel	4,975,097.00	4,203,854.00
	Other Manufacturing expenses	1,087,749.95	2,173,797.00
	Excise Duty paid	1,760,545.00	6,876,609.00
	Repairs and maintenance:		
	-Plant and machinery	1,405,322.62	721,252.00
	-Godown	1,800,630.43	1,793,308.00
	Rent	6,069,884.00	2,593,946.00
	Rates, Fees and taxes	1,371,352.00	1,693,897.98
	Insurance	934,203.36	472,438.55
	Travelling and conveyance	13,103,325.83	9,967,615.33
	Communication costs	688,223.02	975,013.21
	Printing and stationery	155,914.53	179,161.00
	Legal and professional fees	5,395,287.00	3,208,677.00
	Directors' Remuneration	3,600,000.00	3,600,000.00
	Electricity and diesel expenses	1,767,350.12	1,580,612.05
	Payments to auditor	70,000.00	70,000.00
	Freight and forwarding charges	4,851,823.00	864,223.00
	Vehicle running and maintenance	620,899.23	898,419.65
	Discount allowed	673,213.07	1,037,270.82
	Advertisement and sales promotion	6,432,793.20	4,225,656.26
	Bank charges	4,548,891.46	3,153,897.43
	Penalty	452,022.00	194,924.00
	Donation	76,000.00	72,000.00
	Loss on Sale of Motor Vehicle	367,600.58	-
	Commission Paid	809,166.00	614,000.00
	Miscellaneous expenses	1,231,694.69	1,370,436.43
	<b>Total</b>	<b>76,149,417.32</b>	<b>63,523,359.71</b>

26 **Earning Per Share**

**Basic Earning Per Share**

Profit from continuing operations attributable to the equity holders of the company	913,669.82	4,589,340.80
Net Profit from continuing operations attributable to the equity holders	<b>913,669.82</b>	<b>4,589,340.80</b>
No. of Equity shares	4,624,220	4,624,220
Weighted Average No. of Equity Shares	4,624,220	4,624,220
Nominal value of Equity Shares ( ₹ )	10	10
Earning Per Share ( ₹ ) :		
Basic	<b>0.20</b>	<b>0.99</b>

**Diluted Earning Per Share**

Profit from continuing operations attributable to the equity holders of the company	913,669.82	4,589,340.80
Add:- Interest on Convertible debentures	-	-
	<b>913,669.82</b>	<b>4,589,340.80</b>
Weighted Average No. of Equity Shares used for EPS	4,624,220	4,624,220
Weighted Average No. of Equity Shares used for Diluted EPS	4,624,220	4,624,220
Nominal value of Equity Shares ( ₹ )	10	10
Diluted Earning Per Share ( ₹ ) :	<b>0.20</b>	<b>0.99</b>

27 Last year figures has been re-grouped/ re-arranged for better understanding/ presentation and comparebility.

As certified by management of the Company

Sd/-  
Saket Dalmia  
Managing Director  
DIN:00083636

Sd/-  
Amit Dalmia  
Director  
DIN: 00083646

Place: Delhi  
Date: 02.05.2018

**Priceless Overseas Limited**

(Amount in ₹)

**Provisional Balance Sheet as at 31st March, 2018**

		Provisional	Audited
Particulars	Notes	31/Mar/2018	31/Mar/2017
Equity and liabilities			
Shareholder's funds			
Share capital	3	80,966,050.00	80,966,050.00
Reserves and surplus	4	67,414,224.66	64,944,385.05
		148,380,274.66	145,910,435.05
Non-current liabilities			
Long-term borrowings	5	8,433,706.30	100,000.00
Deferred tax liabilities (net)	6	2,860,925.00	2,556,487.00
		11,294,631.30	2,656,487.00
Current liabilities			
Short-term borrowings	8	84,649,086.25	92,534,809.71
Trade payables	9	41,402,870.98	39,547,057.00
Other current liabilities	9	27,578,866.08	35,764,140.71
Short-term provisions	7	971,414.87	1,925,921.00
		154,602,238.18	169,771,928.42
TOTAL		314,277,144.13	318,338,850.47
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	32,781,146.72	23,882,884.53
Non-current investments	11	9,381.00	463,881.00
Other Non-current Assets	13	99,810.40	199,620.80
		32,890,338.12	24,546,386.33
Current assets			
Inventories	15	151,372,659.00	181,577,556.00
Trade receivables	14	66,070,802.00	24,318,357.00
Cash and bank balances	16	5,411,452.59	10,534,906.14
Short-term loans and advances	12	58,531,892.42	77,361,645.00
		281,386,806.01	293,792,464.14
TOTAL		314,277,144.13	318,338,850.47

As certified by management of the Company

The accompanying notes are an integral part of the Provisional financial statements.

Place: Delhi  
Date: 03rd May, 2018

Sd/-  
**Sunil Kumar Shakya**  
(Director)  
DIN: 07007107



**Priceless Overseas Limited**

(Amount in ₹)

**Provisional Statement of Profit and Loss for the period ended 31st March, 2018**

Particulars	Notes	Provisional	Audited
		31/Mar/2018	31/Mar/2017
<b>Income</b>			
Revenue from operations (gross)	17	272,510,062.12	308,082,082.28
Less: Sales Tax/GST		33,604,460.00	9,338,393.00
Revenue from operations	17	238,905,602.12	298,743,689.28
Other income	18	382,399.00	593,084.00
<b>Total Revenue (I)</b>		<b>239,288,001.12</b>	<b>299,336,773.28</b>
<b>Expenses</b>			
Cost of Materials Consumed	19	168,325,003.81	236,168,840.63
Employee benefit expenses	20	8,434,632.00	7,173,607.00
Other expenses	21	43,039,371.09	34,811,869.22
<b>Total (II)</b>		<b>219,799,006.90</b>	<b>278,154,316.85</b>
Earning before depreciation and amortization, finance costs and taxes (I-II)		19,488,994.22	21,182,456.43
Depreciation and amortisation expense	10	5,124,292.68	4,573,028.11
Finance costs	22	10,479,042.07	11,710,117.00
<b>Total (III)</b>		<b>15,603,334.75</b>	<b>16,283,145.11</b>
<b>Profit Before Tax (I-II-III)</b>		<b>3,885,659.47</b>	<b>4,899,311.32</b>
<b>Tax Expenses</b>			
Current tax		971,414.87	1,925,921.00
Deferred tax charge / (credit)		304,438.00	(223,101.00)
Income tax adjustment for earlier years		139,967.00	150,420.00
<b>Total Tax Expense</b>		<b>1,415,819.87</b>	<b>1,853,240.00</b>
<b>Profit for the year</b>		<b>2,469,839.61</b>	<b>3,046,071.32</b>
<b>Earnings per share</b>		0.31	0.38
Basic and diluted [Nominal value of shares Rs 10/- (Previous year Rs 10/-)]			

As certified by management of the Company

The accompanying notes are an integral part of the Provisional financial statements.

Place: Delhi  
Date: 03rd May, 2018

Sd/-  
**Sunil Kumar Shakya**  
(Director)  
DIN: 07007107

**1 Nature of Operations**

Priceless Overseas Limited (hereinafter referred to as 'the Company') was incorporated on December 15, 1995 and is engaged in the manufacturing and selling of Marble Blocks/Slabs.

**2 Statement of Significant Accounting Policies**

**a Basis of preparation of Provisional Financial Statements**

The accounts of the Company are prepared on going concern basis, under the historical cost convention, as per applicable accounting standards and generally accepted Accounting principles, and the company adopts the accrual basis in the preparation of the accounts, unless otherwise stated.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**Priceless Overseas Limited****(Amount in ₹)****Provisional Notes to financial statements for the Period ended 31st March, 2018****Provisional****Audited****3. Share capital**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
<b>Authorised shares</b>		
82,50,000 (Previous year 82,50,000) equity shares of Rs. 10 each	82,500,000.00	82,500,000.00
<b>Issued, subscribed and fully paid-up shares</b>		
80,96,605 (Previous year 80,96,605) equity shares of Rs. 10 each fully paid up	80,966,050.00	80,966,050.00
	80,966,050.00	80,966,050.00

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

<b>Equity shares</b>	<b>31/Mar/2018</b>		<b>31/Mar/2017</b>	
	<b>No. of shares</b>	<b>(Rs. )</b>	<b>No. of shares</b>	<b>(Rs. )</b>
At the beginning of the year	8,096,605	80,966,050.00	8,096,605	80,966,050.00
Shares Issued during the year	-	-	-	-
Outstanding at the end of the year	8,096,605	80,966,050.00	8,096,605	80,966,050.00

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

**(c) Details of shareholders holding more than 5% shares in the Company**

<b>Particulars</b>	<b>31/Mar/2018</b>		<b>31/Mar/2017</b>	
	<b>No. of shares</b>	<b>% holding in the class</b>	<b>No. of shares</b>	<b>% holding in the class</b>
<b>Equity shares of Rs. 10/- each fully paid</b>				
Vishal Enclave (P) Limited	3,532,500	43.63%	3,532,500	43.63%
Capetown Merchandiser Private Limited	1,921,355	23.73%	1,921,355	23.73%
New Look Vinimay Private Limited	2,592,750	32.02%	2,592,750	32.02%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**4. Reserves and surplus**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
<b>Securities Premium Account</b>		
Balance as per the last financial statement	28,516,050.00	28,516,050.00
Received during the year	-	-
	28,516,050.00	28,516,050.00
<b>Surplus in the statement of profit and loss</b>		
Balance as per the last financial statement	36,428,335.05	33,382,263.73
Profit for the year	2,469,839.61	3,046,071.32
Net surplus in the statement of profit and loss	38,898,174.66	36,428,335.05
<b>Total reserves and surplus</b>	67,414,224.66	64,944,385.05

**Priceless Overseas Limited**
**(Amount in ₹)**
**Provisional Notes to financial statements for the Period ended 31st March, 2018**

	<b>Provisional</b>		<b>Audited</b>	
<b>5. Long-term borrowings</b>	<b>Non-current portion</b>		<b>Current portion</b>	
<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
<b>Term Loans</b>				
<b>Secured Loans</b>				
-From ICICI Bank	8,433,706.30	-		
(Secured against Hypothecation of Vehicle financed)				
<b>Unsecured Loans</b>				
-From Directors & Relatives	-	100,000.00		
-From Others				
	8,433,706.30	100,000.00	-	-
<b>The above amount includes</b>				
Secured borrowings	8,433,706.30	-		
Unsecured borrowings	-	100,000.00		
Amount disclosed under the head "other current liabilities" (refer note 9)	-	-		
<b>Net amount</b>	<b>8,433,706.30</b>	<b>100,000.00</b>	<b>-</b>	<b>-</b>

**6. Deferred tax Liabilities (net)**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
<b>Deferred tax assets</b>		
Impact of expenditure charged to the statement of profit and loss in the current year/ earlier years but allowable for tax purposes on income basis	-	-
<b>Gross deferred tax assets (A)</b>	<b>-</b>	<b>-</b>
<b>Deferred tax liabilities</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	2,860,925.00	2,556,487.00
Payment of statutory dues allowable under Income Tax Act, 1961 but not charged to the statement of profit and loss	-	-
<b>Gross deferred tax liabilities (B)</b>	<b>2,860,925.00</b>	<b>2,556,487.00</b>
<b>Net deferred tax liabilities (B-A)</b>	<b>2,860,925.00</b>	<b>2,556,487.00</b>

**7. Provisions**

	<b>Long term</b>		<b>Short term</b>	
<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
<b>Other provisions</b>				
Income tax provision			971,414.87	1,925,921.00
	-	-	971,414.87	1,925,921.00
	-	-	971,414.87	1,925,921.00

**Priceless Overseas Limited****(Amount in ₹)****Provisional Notes to financial statements for the Period ended 31st March, 2018****Provisional****Audited****8. Short-term borrowings**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
Cash credit facilities from banks (secured)	75,380,428.88	75,048,921.71
Buyers Credit from Banks (secured)	9,268,657.37	17,485,888.00
	<u>84,649,086.25</u>	<u>92,534,809.71</u>
<b>The above amount includes:</b>		
Secured borrowings	84,649,086.25	92,534,809.71
Unsecured borrowings	-	-
	<u>84,649,086.25</u>	<u>92,534,809.71</u>

**9. Other current liabilities**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
Trade payables	41,402,870.98	39,547,057.00
(A)	<u>41,402,870.98</u>	<u>39,547,057.00</u>
<b>Other liabilities</b>		
Current maturities of long term borrowings (refer note 5)	-	-
Others:		
Payable towards capital goods	-	1,899,083.00
Advances from customers	243,860.00	519,302.00
Sales tax/ VAT payable/GST Payable	-	2,650,802.00
Other payables	27,026,138.08	30,012,406.71
Service tax payable	-	204,829.00
TDS payable	308,868.00	466,472.00
EPF Payable	-	8,396.00
ESI Payable	-	2,850.00
(B)	<u>27,578,866.08</u>	<u>35,764,140.71</u>
<b>Total (A+B)</b>	<u>68,981,737.06</u>	<u>75,311,197.71</u>

**Priceless Overseas Limited**

(Amount in ₹)

**Notes to Provisional financial statements for the year ended 31st March 2018**

**10. Tangible assets**

Fixed Assets	Useful Life of Assets	Gross Block			Accumulated Depreciation				Net Block		
		As at 31 March 2017	Additions	(Disposals)	As at 31 March 2018	As at 31 March 2017	Depreciation charge for the year	Adjustment due to revaluations	On disposals	As at 31.03.2018	As at 31.03.2017
	</										

**Note:**

Useful lives and residue value in some cases have been taken different as provided under Schedule II to the Companies Act, 2013 and the same have been taken on the basis of present condition of the Assets and expected realisable value after the assets ceased to be in working position.

Sd/-  
**Sunil Kumar Shakya**  
(Director)  
DIN: 07007107

**Priceless Overseas Limited**
**(Amount in ₹)**
**Provisional Notes to financial statements for the Period ended 31st March, 2018**
**Provisional**
**Audited**
**11. Non-current investments**

Particulars	31/Mar/2018	31/Mar/2017
<b>Trade investments (valued at cost unless stated otherwise)</b>		
<b>Unquoted equity instruments</b>		
Investment in other body corporates	9,381.00	463,881.00
	<u>9,381.00</u>	<u>463,881.00</u>

**12. Loans and advances**
**Non-current**
**Current**

Particulars	31/Mar/2018	31/Mar/2017	31/Mar/2018	31/Mar/2017
<b>Security Deposits</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	1,075,800.00	1,355,800.00
(A)	-	-	1,075,800.00	1,355,800.00

**Others loans and advances**
**Unsecured, considered good**

Deposit with Revenue ACIT [AY 2012-13]			1,466,089.00	1,466,089.00
Tax Deducted at Source [AY 2017-18]			-	81,738.00
Tax Deducted at Source [AY 2018-19]			194,150.00	-
Modvat Credit on Excise Duty Receivable			-	17,811,231.00
Vat Input			19,117,547.96	56,764.00
TDS Refundable			21,400.00	4,520.00
E. Cess 2% Receivable on Capital Goods			-	720.00
E. Cess 1% Receivable on Capital Goods			-	360.00
E. Cess 2% Receivable on Cenvet Credit			-	2,380.00
E. Cess 1% Receivable on Cenvet Credit			-	1,365.00
Cenvat Credit Receivable			-	1,282,838.00
Intt on Security Electricity Behror Receivable			36,326.00	36,326.00
Additional Custom Duty Receivable on Slabs			334,068.00	1,597,576.00
Advance Custom Duty			2,500,000.00	2,500,000.00
Prepaid expenses			69,204.61	311,752.00
Other Advances			33,717,306.85	50,852,186.00
(B)	-	-	57,456,092.42	76,005,845.00

**Total (A+B)**

-	-	58,531,892.42	77,361,645.00
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**13. Other Non-current Assets**
**Non-current**
**Current**

Particulars	31/Mar/2018	31/Mar/2017	31/Mar/2018	31/Mar/2017
Preliminary Expenses to the extent not written off	99,810.40	199,620.80	-	-
	<u>99,810.40</u>	<u>199,620.80</u>	<u>-</u>	<u>-</u>

**Priceless Overseas Limited**
**(Amount in ₹)**
**Provisional Notes to financial statements for the Period ended 31st March, 2018**

	<b>Provisional</b>		<b>Audited</b>	
	<b>Non-current</b>		<b>Current</b>	
<b>14. Trade receivables</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
<b>Particulars</b>				
<b>Unsecured, considered good unless stated otherwise</b>				
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>				
Unsecured, considered good	-	-	19,529,781.00	9,901,993.00
Secured, considered good	-	-	-	-
<b>(A)</b>	<b>-</b>	<b>-</b>	<b>19,529,781.00</b>	<b>9,901,993.00</b>
<b>Other receivables</b>				
Unsecured, considered good	-	-	46,541,021.00	14,416,364.00
Secured, considered good	-	-	-	-
<b>(B)</b>	<b>-</b>	<b>-</b>	<b>46,541,021.00</b>	<b>14,416,364.00</b>
<b>Total ( A + B )</b>	<b>-</b>	<b>-</b>	<b>66,070,802.00</b>	<b>24,318,357.00</b>
<b>15. Inventories (valued at cost)</b>				
	<b>Non-current</b>		<b>Current</b>	
<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
Raw materials	-	-	26,543,860.00	19,598,500.00
Finished goods	-	-	124,828,799.00	161,979,056.00
	-	-	151,372,659.00	181,577,556.00
<b>16. Cash and bank balances</b>				
	<b>Non-current</b>		<b>Current</b>	
<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
<b>Cash and cash equivalents</b>				
Balances with banks:				
On current accounts	-	-	430,914.12	703,341.99
Cash on hand	-	-	1,497,509.47	810,454.15
<b>(A)</b>	<b>-</b>	<b>-</b>	<b>1,928,423.59</b>	<b>1,513,796.14</b>
Other bank balances:				
Deposits with original maturity of more than 12 months	-	-	248,555.00	963,716.00
Deposits with original maturity of more than 3 months but less than 12 months	-	-	3,234,474.00	8,057,394.00
<b>(B)</b>	<b>-</b>	<b>-</b>	<b>3,483,029.00</b>	<b>9,021,110.00</b>
<b>Total ( A + B )</b>	<b>-</b>	<b>-</b>	<b>5,411,452.59</b>	<b>10,534,906.14</b>



**Priceless Overseas Limited****(Amount in ₹)****Provisional Notes to financial statements for the Period ended 31st March, 2018****Provisional****Audited****17. Revenue from operations**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
<b>Revenue from operations</b>		
Sale of products	258,392,732.12	306,798,240.28
Job Work	14,117,330.00	1,283,842.00
<b>Revenue from operations (gross)</b>	<b>272,510,062.12</b>	<b>308,082,082.28</b>
Less: GST/Sales Tax	33,604,460.00	9,338,393.00
<b>Revenue from operations (net)</b>	<b>238,905,602.12</b>	<b>298,743,689.28</b>

**18. Other income**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
Interest on Security / Bank deposits	382,399.00	593,084.00
Other Income	-	-
	<b>382,399.00</b>	<b>593,084.00</b>

**19. Cost of Materials Consumed**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
Inventory at the beginning of the year	181,577,556.00	155,724,214.00
Add : Purchases & Direct Expenses	138,120,106.81	262,022,182.63
Less : Inventory at the end of the year	151,372,659.00	181,577,556.00
	<b>168,325,003.81</b>	<b>236,168,840.63</b>

**20. Employee benefit expense**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
Salary & Wages	8,242,608.00	7,006,268.00
Contribution to Provident and other funds	126,202.00	85,159.00
Staff Welfare	65,822.00	82,180.00
	<b>8,434,632.00</b>	<b>7,173,607.00</b>

**Priceless Overseas Limited****(Amount in ₹)****Provisional Notes to financial statements for the Period ended 31st March, 2018****Provisional****Audited****21. Other Expenses**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
Consumption of stores and spares	14,409,517.20	10,359,500.00
Power and fuel	1,940,068.00	988,501.00
Other Manufacturing expenses	1,360,243.00	962,071.00
Excise Duty paid	999,487.00	3,000,847.00
Repairs and maintenance:		
-Plant and machinery	262,129.70	478,046.00
-Godown	496,949.00	1,155,922.00
Rent	4,955,000.00	3,157,800.00
Rates, Fees and taxes	62,845.00	434,373.75
Insurance	958,392.05	583,902.00
Travelling and conveyance		
-Local Travelling & Conveyance	447,922.00	491,120.16
-Foreign Travelling Expenses	6,072,594.57	3,027,831.55
Communication costs	351,016.39	355,447.46
Printing and stationary	107,746.00	113,663.00
Legal and professional fees	1,333,050.00	1,067,005.00
Directors' Remuneration	2,316,433.00	1,958,640.00
Electricity and diesel expenses	503,200.00	212,772.07
Payments to auditor	50,000.00	50,000.00
Freight and forwarding charges	2,021,546.00	189,866.00
Vehicle running and maintenance	946,305.49	534,587.21
Discount allowed	35,934.16	119,436.00
Advertisement and sales promotion	827,334.40	3,184,458.00
Bank charges	1,908,243.36	1,510,220.68
Donation	35,000.00	
Penalty	244,260.00	78,300.00
Preliminary Expenses written off	99,810.40	99,810.40
Commission paid	-	611,000.00
Miscellaneous expenses	294,344.37	86,748.94
	<b>43,039,371.09</b>	<b>34,811,869.22</b>

**22. Finance costs**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
Interest to Bank	9,773,643.42	9,834,239.00
Interest to NBFC	-	1,753,819.00
Interest to Other	705,398.65	122,059.00
	<b>10,479,042.07</b>	<b>11,710,117.00</b>

**23. Earning per equity share**

<b>Particulars</b>	<b>31/Mar/2018</b>	<b>31/Mar/2017</b>
Net profit as per profit and loss statement	2,469,839.61	3,046,071.32
No. of equity shares at the beginning and closing of the period / year	8,096,605	8,096,605
Weighted average number of equity shares for calculating basic and diluted EPS	8,096,605	8,096,605
Basic and Diluted earnings per share (Rs.)	<b>0.31</b>	<b>0.38</b>

As certified by management of the Company

The accompanying notes are an integral part of the Provisional financial statements.

Sd/-

Place: Delhi

**Sunil Kumar Shakya**  
(Director)

Date: 03rd May, 2018

**DIN: 07007107**

**STATEMENT OF SHAREHOLDINGS OF THE DIRECTORS AND KEY  
MANAGERIAL PERSONNEL OF THE TRANSFEREE COMPANY AND THEIR  
RELATIVES**

<b>Sr. No.</b>	<b>Name of Director/ KMP/ or their relatives</b>	<b>Designation/ Relationship</b>	<b>No. of Shares Held</b>
1	Mr. Saket Dalmia	Managing Director	62,200
2	Mr. Amit Dalmia	Director	1,00,000
3	Mr. Anil Kumar	Director	Nil
4	Mr. Pardip Asopa	Director	1000
5	Mrs. Usha Sharma	Director	Nil
6	Mrs. Santosh Asopa	Spouse of Mr. Pardip Asopa, Director	1
7	Mr. Raj Kumar Sharma	Spouse of Mrs. Usha Sharma, Director	9,429

**STATEMENT OF SHAREHOLDINGS OF THE DIRECTORS AND KEY  
MANAGERIAL PERSONNEL OF THE TRANSFERER COMPANY AND THEIR  
RELATIVES**

<b>Sr. No.</b>	<b>Name of Director/ KMP/ or their relatives</b>	<b>Designation/ Relationship</b>	<b>No. of Shares Held</b>
1	Mr. Raja Ram Dalmia	Managing Director	24,985
2	Mr. Sunil Kumar Shakya	Director	Nil
3	Mr. Sarthak Thakur	Director	Nil
4	Mr. Manju Devi Dalmia	Spouse of Mr. Raja Ram Dalmia, Director	24,995
5	Mrs. Pooja Dalmia	Daughter of Mr. Raja Ram Dalmia, Director	10

**REPORT ADOPTED BY BOARD OF DIRECTORS PURSUANT TO SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 BY P G INDUSTRY LIMITED AT THEIR BOARD MEETING HELD ON 11<sup>TH</sup> JUNE 2018 AT REGISTERED OFFICE OF THE COMPANY**

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The Board of Directors at their meeting held on 11<sup>th</sup> June 2018 after considering all relevant documents connected to the Scheme of Amalgamation of Priceless Overseas Limited (Transferor Company) with P G Industry Limited (Transferee Company) with effect from closing hours of March 31, 2017 or such other date as may be approved by NCLT ( **Appointed Date**).

Pursuant to section 232(2)(c) of the companies act 2013, Board of Directors reports the effect of the scheme as follows:

1. At the outset, it is stated that no compromise or arrangement is proposed under the Scheme between the companies and any classes of persons other than the shareholders of the respective companies;
2. In so far as the shareholders are concerned, the existing shareholders of the Transferor Company will receive new Equity Shares of the Transferee Company in consideration of the Amalgamation. The share exchange ratio for issue and allotment of equity shares in consideration of the Amalgamation, as aforesaid, has been fixed on a fair and reasonable basis and on the basis of the report dated 16<sup>th</sup> September 2017 of M/s S C Verma & Associates, Independent Chartered Accountants. There was no difficulty in valuation. Turnaround Corporate Advisors Private Limited (SEBI Registered Category I Merchant Banker), Independent Merchant Bankers, by their fairness opinion dated 16<sup>th</sup> September 2017 had also confirmed that the share exchange ratio is fair and proper. The entitlement ratio is as under:

1 (One) Equity Share of Rs. 10/- (Rupees Ten) each of Amalgamated Company for every 6 (Six) Equity Share of Rs. 10 (Rupees Ten) each held in the Amalgamating Company.”

3. The effect of the scheme on the various stakeholders, including shareholders, creditors, debenture trustee, depositors, depositors, deposit trustee, employee, directors, key managerial personnel, promoter and non-promoter shareholder is summarized below:

<b>Category</b>	<b>Transferee Company</b>
(a) Shareholders	The Transferee Company shall issue shares to equity shareholders of the Transferor Company as per exchange ratio as mentioned above.
(b) Creditors	Creditors of the Transferee Company will continue to be the creditors of the Transferee Company.
(c) Depositors	There are no depositors.
(d) Debenture Holder	There is no debenture holder.
(e) Deposit Trustee & Debenture Trustee	There are no deposit & debenture trustee.
(f) employees	Employees of the Transferee Company will continue to be employees of the Transferee Company.
(g) Promoters	The Transferee Company shall issue shares to equity shareholders of the Transferor Company as per exchange ratio as mentioned above.
(h) Non-promoter members	Same as stated in item (a) above
(i) Key Managerial personnel(KMP)	Following the scheme, the designation and or roles of the existing KMP of the Transferee Company may change as decided by Board of Directors of the Transferee Company.
(j) Directors	Following the scheme, the directors of the Transferee Company may change as decided by Board of Directors of the Transferee Company.

4. In the opinion of the board, the said scheme will be advantageous and beneficial to the company and its shareholders, creditors and other stakeholders.

For & on behalf of the Board of  
**P G Industry Limited**

Sd/-  
Amit Dalmia  
Director  
DIN: 00083646

**REPORT ADOPTED BY BOARD OF DIRECTORS PURSUANT TO SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 BY PRICELESS OVERSEAS LIMITED AT THEIR BOARD MEETING HELD ON 11<sup>TH</sup> JUNE 2018 AT REGISTERED OFFICE OF THE COMPANY**

---

The Board of Directors at their meeting held on 11<sup>th</sup> June 2018 after considering all relevant documents connected to the Scheme of Amalgamation of Priceless Overseas Limited (Transferor Company) with P G Industry Limited (Transferee Company) with effect from closing hours of March 31, 2017 or such other date as may be approved by NCLT ( **Appointed Date**).

Pursuant to section 232(2)(c) of the companies act 2013, Board of Directors reports the effect of the scheme as follows:

1. At the outset, it is stated that no compromise or arrangement is proposed under the Scheme between the companies and any classes of persons other than the shareholders of the respective companies;
2. In so far as the shareholders are concerned, the existing shareholders of the Transferor Company will receive new Equity Shares of the Transferee Company in consideration of the Amalgamation. The share exchange ratio for issue and allotment of equity shares in consideration of the Amalgamation, as aforesaid, has been fixed on a fair and reasonable basis and on the basis of the report dated 16<sup>th</sup> September 2017 of M/s S C Verma & Associates, Independent Chartered Accountants. There was no difficulty in valuation. Turnaround Corporate Advisors Private Limited (SEBI Registered Category I Merchant Banker), Independent Merchant Bankers, by their fairness opinion dated 16<sup>th</sup> September 2017 had also confirmed that the share exchange ratio is fair and proper. The entitlement ratio is as under:

1 (One) Equity Share of Rs. 10/- (Rupees Ten) each of Amalgamated Company for every 6 (Six) Equity Share of Rs. 10 (Rupees Ten) each held in the Amalgamating Company.”

3. The effect of the scheme on the various stakeholders, including shareholders, creditors, debenture trustee, depositors, deposit trustee, employee, directors, key managerial personnel, promoter and non-promoter shareholder is summarized below:

<b>Category</b>	<b>Transferor Company</b>
(a) Shareholders	The Transferor Company shall be dissolved without winding up pursuant to the scheme. Accordingly shareholders of the Transferor Company will receive equity shares of the Transferee Company in consideration of the Amalgamation.
(b) Creditors	Creditors of the Transferor Company will become creditors of the Transferee Company, on the terms and conditions as mentioned in the scheme.
(c) Depositors	There are no depositors.
(d) Debenture Holder	There is no debenture holder.
(e) Deposit Trustee & Debenture Trustee	There are no deposit & debenture trustee.
(f) employees	Employees of the Transferor Company will become the employees of the Transferee Company.
(g) Promoters	The Transferor Company shall be dissolved without winding up pursuant to the scheme. Accordingly shareholders of the Transferor Company will receive equity shares of the Transferee Company in consideration of the Amalgamation.
(h) Non-promoter members	Same as stated in item (a) above
(i) Key Managerial personnel(KMP)	KMP of the Transferor Company will cease to be KMP of the Transferor Company and may become KMP of Transferee Company
(j) Directors	They will cease to be directors of Transferor Company.

4. In the opinion of the board, the said scheme will be advantageous and beneficial to the company and its shareholders, creditors and other stakeholders.

For & on behalf of the Board of  
**Priceless Overseas Limited**

Sd/-  
Sunil Kumar Shakya  
Director  
DIN: 07007107



# S C Verma & Associates

## Chartered Accountants

Certificate No101/2017-18/FRN No.04180N/Dated 02/11/2017

Annexure-I

### Computation of Fair Share Exchange Ratio

Valuation Approach	P G Industry Limited		Priceless Overseas Limited	
	Value Per Share	Weight	Value Per Share	Weight
Asset Approach	59.98	1	18.06	1
Income Approach				
PECV Method	69.17	1	10.10	1
DCF Method	131.62	1	4.49	1
Market Approach	16.32	1	-	NA
Relative Value per Share	69.27	4	10.88	3
Exchange Ratio (rounded off)	6		1	

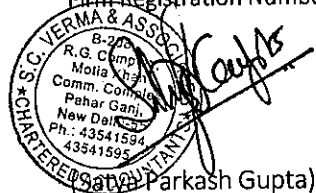
RATIO:

1 (One) equity share of P G Industry Limited of INR 10 each fully paid up for every 6 (Six) equity shares of Priceless Overseas Limited of INR 10 each fully paid up

For S C Verma & Associates

(Chartered Accountants)

Firm Registration Number: 04180N



(Sd/- Parkash Gupta)

Partner

Membership Number: 08568



#### BRANCH OFF:

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Paharganj, New Delhi-110055  
Mobile: +91 9811243749 | Tel.: +91 11 43541594  
Fax.: +91 11 43541595 | E-mail: spgfca@gmail.com

#### HEAD OFFICE:

A-3/183, Paschim Vihar, New Delhi-110063  
Tel.: +91 11 42322116 | +91 11 42322117





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## S C Verma & Associates

Chartered Accountants

Date: September 16, 2017

Board of Directors P G Industry Limited A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048	Board of Directors Priceless Overseas Limited A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048
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Subject: Recommendation of Share Exchange ratio/ Share Entitlement ratio for the purpose of proposed amalgamation of Priceless Overseas Limited with P G Industry Limited, under a proposed Scheme of Amalgamation under Sections 230 to 232 of Companies Act, 2013.

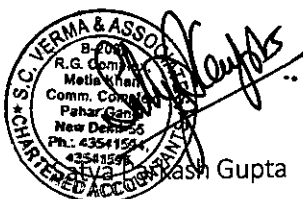
We, M/s S C Verma & Associates, Chartered Accountants ("valuer" or "we" or "us") refer to the engagement letter, wherein P G Industry Limited ("Amalgamated Company") and Priceless Overseas Limited ("Amalgamating Company") have requested us to recommend the Share Exchange ratio/ Share Entitlement ratio in connection with the proposed Scheme of Amalgamation ("Scheme") involving amalgamation of Amalgamating Company into Amalgamated Company.

Accordingly, we have carried out the assignment of recommending the Share Entitlement ratio of Equity Shares under the proposed Scheme of Amalgamation and are pleased to provide our detailed assessment as annexure 1 to this letter.

For, S C Verma & Associates

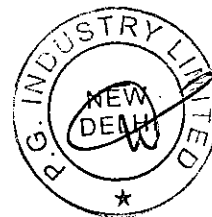
(Chartered Accountants)

Firm Registration Number: 04180N

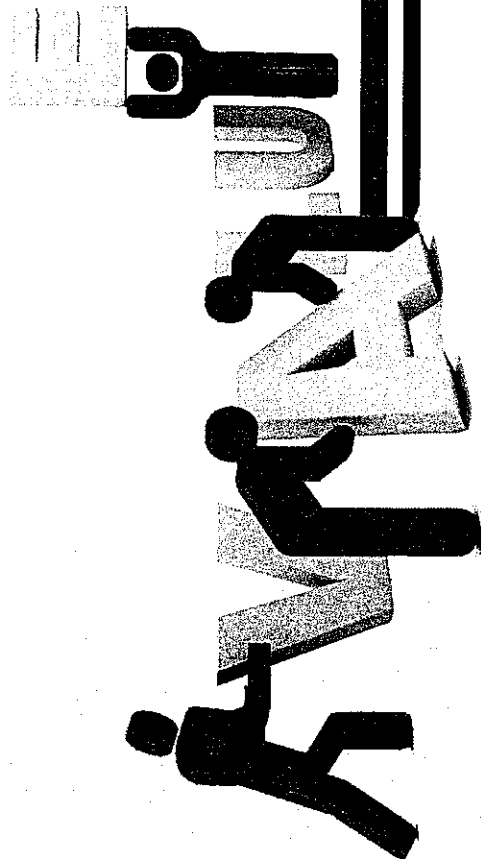


Partner

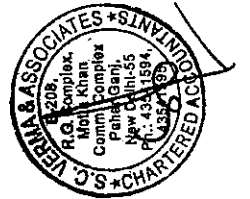
Membership Number: 08568



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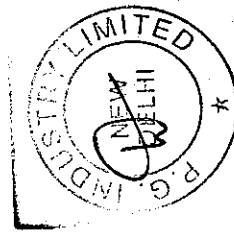


# VALUATION

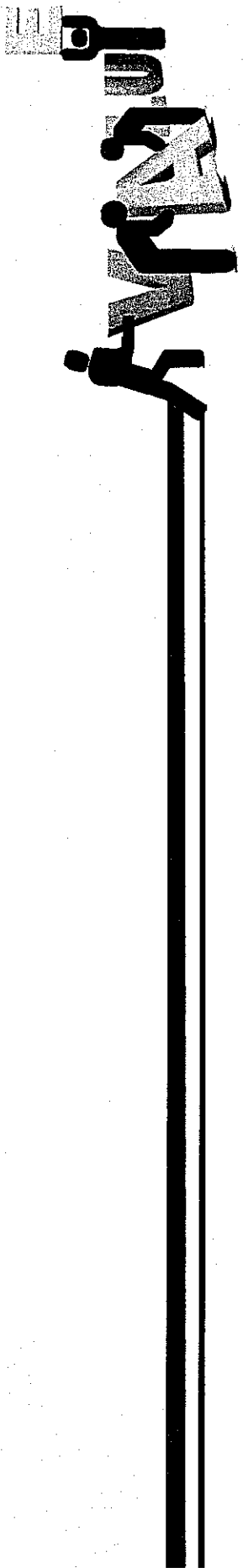


**CA S P Gupta**  
B.com., LL.B., FCA

**M/s. S C Verma & Associates**



16th September, 2017



**Valuation Report on the**  
**Share Exchange Ratio for the merger of**  
**P G INDUSTRY LIMITED**  
**And**  
**PRICELESS OVERSEAS LIMITED**



# Introduction

S.P. Gupta, Partner of S C Verma & Associates has been engaged by the Board of Directors of P G Industry Limited (hereinafter referred to as "PGIL"), Priceless Overseas Limited (hereinafter referred to as "POL"), to provide assistance in determining the share exchange ratio (herein after called as "exchange ratio") for the proposed merger of "POL" with "PGIL",

## Sources of Information

For the purpose of valuation, we have relied upon the following sources of information:

- a) Annual Audited Reports of "PGIL" for the years 2012, 2013, 2014, 2015, 2016, 2017
- b) Annual Audited Reports of "POL" for the years 2012, 2013, 2014, 2015, 2016, 2017
- c) Valuation Report of land



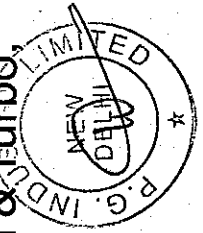
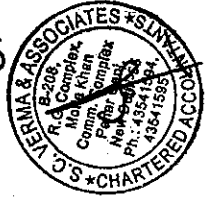
# Brief Background

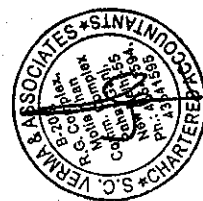
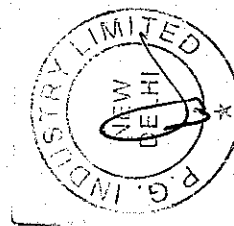
## P G Industry Limited

The Company was incorporated on 13<sup>th</sup> December 1993 under the Companies Act, 1956 and listed on Bombay Stock Exchange and Calcutta Stock Exchange. The Company is the largest importer of imported marble from select quarries spread all over the world such as Italy, Turkey, Oman, China, Spain, Greece, etc. The Company established its processing plant at Behror (Rajasthan) during the year 1993. And it was further expanded and renovated during the year 2010. The Company has one of the largest showroom cum warehouse located in Delhi.

P G Industry Limited is a preferred choice for projects requirements as it has well established track record for supplying to some of the largest and most prestigious projects all across India may it be -hotels, shopping malls, premium residential complex, corporate head quarters, offices etc. Some of the clients are Unitech, Tata Housing, Larson & Turbo, Omaxe, Prateek Buildtech, Eros, Jaypee Group, DLF, etc.

At present, Board of Directors of the Company comprises of:





S. No.	Name of Director	Category	Experience
1	Mr. Saket Dalmia	Managing Director	More than 20 years of experience in the areas of Raw material procurement, Finance, Sales & Marketing
2	Mr. Amit Dalmia	Director	More than 20 years of experience in the areas of Raw material procurement, Finance, Sales & Marketing
3	Mr. Pardip Asopa	Independent Director	More than 10 years of experience in Banking and Finance
4	Mr. Anil Kumar	Independent Director	8 years of experience in Accounts and Finance
5	Mrs. Usha Sharma	Director	4 years of experience in Sales & Marketing



Mr. Saket Dalmia is the Promoter and Managing Director of M/s. P G Industry Limited headquartered in Delhi. Mr. Saket Dalmia has a Bsc. Degree in Master of Business Administration from Georgetown University Washington D.C., United States of America. Mr. Saket Dalmia has been actively involved in P H D Chamber of Commerce. He has been the Chairman of the Young Business Leaders Forum for the past 5 – 6 Years.

Mr. Amit Dalmia is the Promoter and Director of M/s. P G Industry Limited. Mr. Amit Dalmia has Graduation Degree from Washington University, United States of America. Mr. Amit Dalmia is also active member of Entrepreneurs' Organisation, New Delhi.

The Company has very bright future prospects as the Company is planning to expand its processing plant i.e. gang saw line, resin line, polish line, etc further in order to get more business opportunities. The Company has achieved sales turnover of Rs. 19 Crore for the quarter ending on 30<sup>th</sup> June 2017 as compared to Rs. 8 Crore for the quarter ending on 30<sup>th</sup> June 2016. The Company has seen 200 % increase in Sales turnover for the first quarter of Financial Year 2017-18 as compared to first quarter of previous financial year and believes to get more business opportunities in the next financial year and in future years with better growth and expansion.



# Brief Background

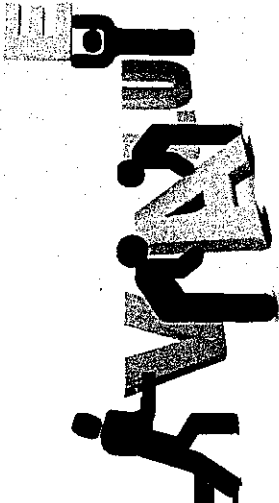
## Priceless Overseas Limited

The Company was incorporated on 15<sup>th</sup> December 1995 under the Companies Act, 1956 as a closely held public limited Company. The Company is the importer of imported marble from select quarries spread all over the world such as Italy, Turkey, Oman, China, Spain, Greece, etc. Priceless Overseas Limited supplies their finished goods in retail sector. The Company has a processing plant in Behror (Rajasthan) on Lease hold property owned by M/s. P G Industry Limited.

At present, Board of Directors of the Company comprises of :







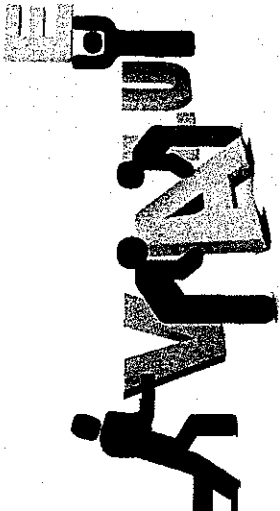
S. No.	Director	Category	Experience
1	Mr. Raja Ram Dalmia	Director	More than 35 years of experience in the areas of Raw material procurement, Finance, Sales & Marketing, Business Development
2	Mr. Rajesh Kumar	Director	More than 14 years of experience in the area of Sales & Marketing
3	Mr. Sunil Kumar Shakya	Director	More than 12 years of experience in Sales & Marketing

Mr. Raja Ram Dalmia is the Executive Director of M/s. Priceless Overseas Limited head quartered in Delhi who looks over all affairs of the Company may it be - Sales, Marketing, Material Procurement, Finance, etc.

The Company has seen depleting business growth in the Financial Year 2016-17 as compared to respective previous financial year.



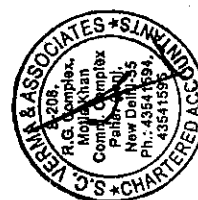
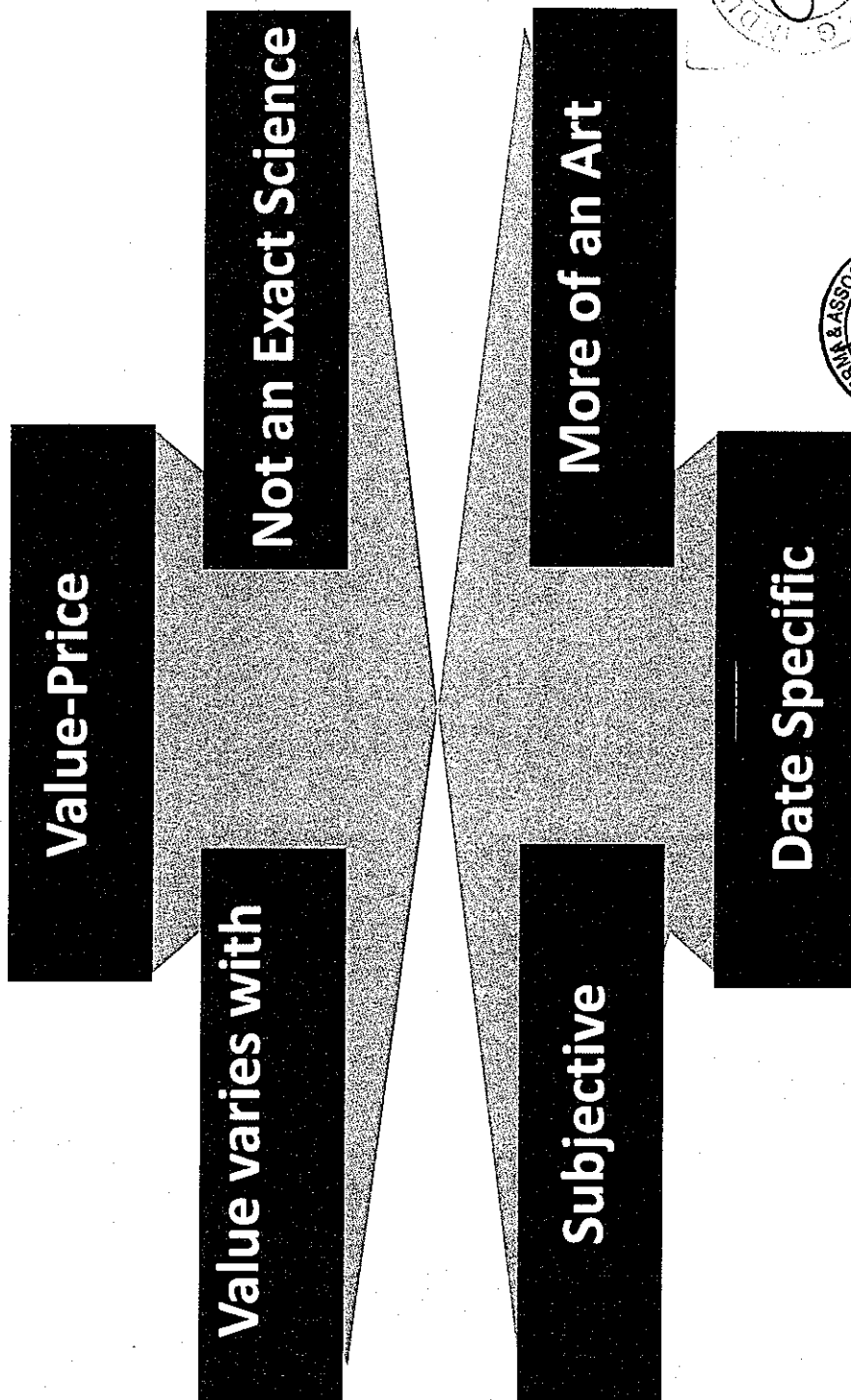
# Presentation Overview



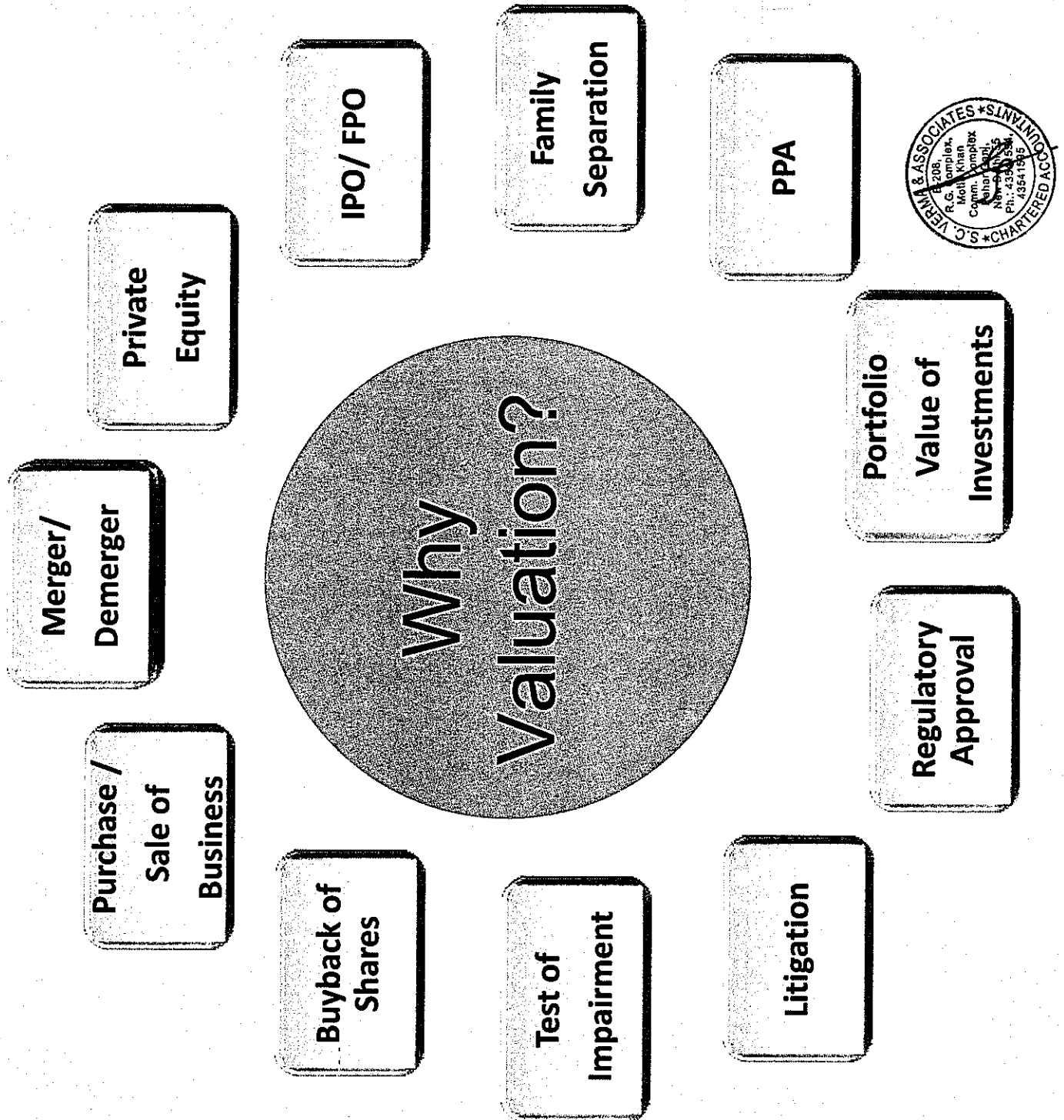
- Valuation Concept
- Purpose of Valuation
- Principal Methods of Valuation
  - ✓ Net Assets Value (NAV) Method
  - ✓ Price Earnings Capitalisation (PECV) Method
  - ✓ Discounted Cash Flow (DCF) Method
  - ✓ Market Price Method
- Conclusion



# Valuation Concept

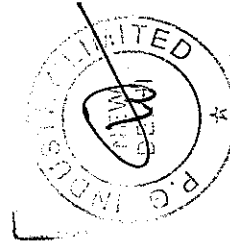
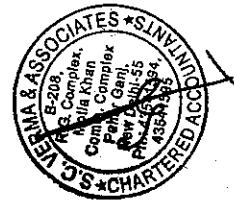


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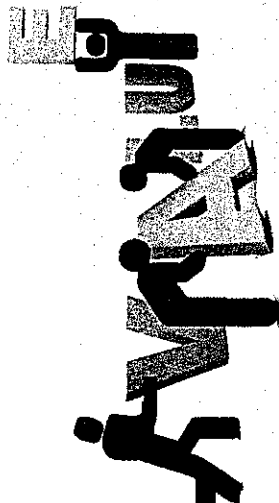


# Steps in Valuation

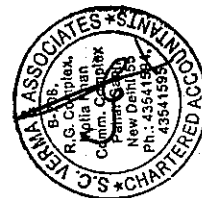
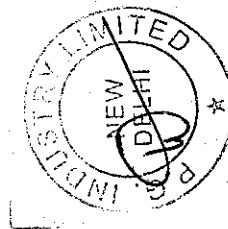
- Obtaining Information
- Data analysis & review
- Discussion with the management of the company
- Selection of method
- Conducting sensitivities on assumptions
- Assigning weights
- Recommendation
- Reporting



# Analysis of Company



- Analysis of P&L Ratios
  - ✓ Operating margins
  - ✓ EBITDA margins
  - ✓ PBT margins
  - ✓ Expense ratios
- Balance Sheet Ratios
  - ✓ Quick Ratio/ Current Ratio
  - ✓ Turnover Ratios
  - ✓ Liquidity Ratios
  - ✓ Debt Equity Ratio of Company & Industry



# Principal Methods of Valuation

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## Asset Based Approach

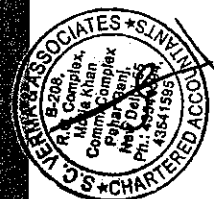
- Net Assets Value

## Earning Based Approach

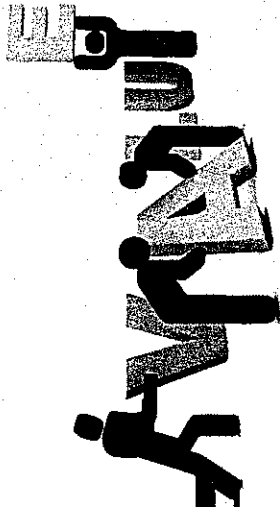
- Price Earning Capitalization Value Method (PECV)
- Discounted Cashflow Method (DCF)

## Market Based Approach

- Market Price Method

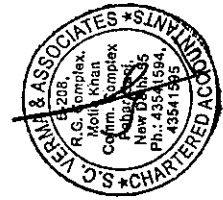
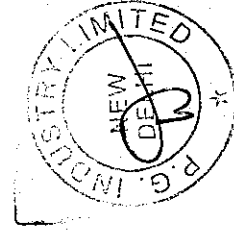


# Common Adjustments



Following adjustments may be called for:

- Investments
- Surplus Assets
- Auditors Qualification
- Preference Shares
- ESOPs / Warrants
- Contingent Liabilities
- Tax benefits
- Findings of Due Diligence Reviews





NAV

5+

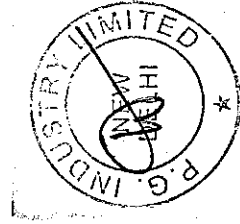
NAV

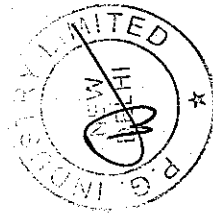
- The Value as per Net Asset Method is arrived as follows:

Total Assets excluding Miscellaneous expenditure & debit balance in Profit & Loss Account
Less: Total Liabilities
Net Asset Value

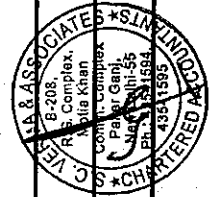
OR

Share Capital
Add: Reserves
Less: Miscellaneous Expenditure
Less: Debit Balance in P&L account
Net Asset Value

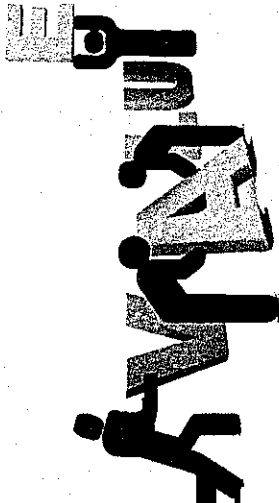




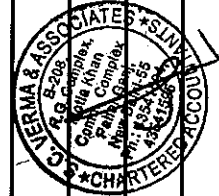
ASSETS APPROACH METHOD (Table-II)		INR-Lacs	2016-17
Particulars			
Net Fixed Assets			828.23
Current Assets		4171.15	
Current Liabilities		-2489.12	
Net Current Assets			1682.03
Investments			1.14
Deferred Tax Assets			20.13
Loan Funds			-1333.3
<b>Net Assets Value</b>			<b>1198.23</b>
<b>Adjustments:</b>			
Add: Appreciation in the value of Land			1575.00
Less: Preference Share capital			0.00
Less: Contingent Liabilities			0.00
<b>Adjusted Net Assets</b>			<b>2,773</b>
No. of Equity shares (FV - INR 10 each)			4,624,220
<b>Value per Share (INR)</b>			<b>59.98</b>



# NAV- Priceless Overseas Limited



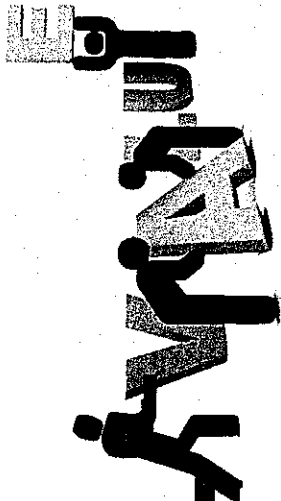
ASSETS APPROACH METHOD (Table-II)		INR-Lacs	2016-17(P)*
<b>Particulars</b>			
Net Fixed Assets			238.82
Current Assets	2797.78		
Current Liabilities	-1554.57		
Net Current Assets			1243.21
Investments			6.64
Deferred Tax Liabilities			-27.79
Loan Funds			1
<b>Net Assets Value</b>			<b>1461.88</b>
<b>Adjustments:</b>			
Add: Appreciation in the value of Investment			0.00
Less: Preference Share capital			0.00
Less: Contingent Liabilities			0.00
<b>Adjusted Net Assets</b>			<b>1,462</b>
No. of Equity shares (FV - INR 10 each)			8,096,605
<b>Value per Share (INR)</b>			<b>18.06</b>



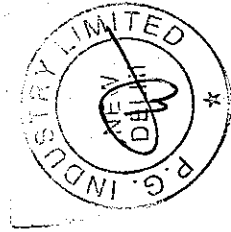
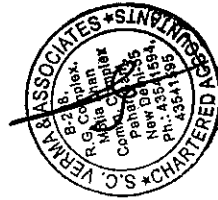
\* Provisional

# Issues in NAV Method

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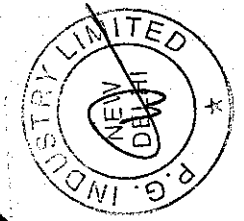
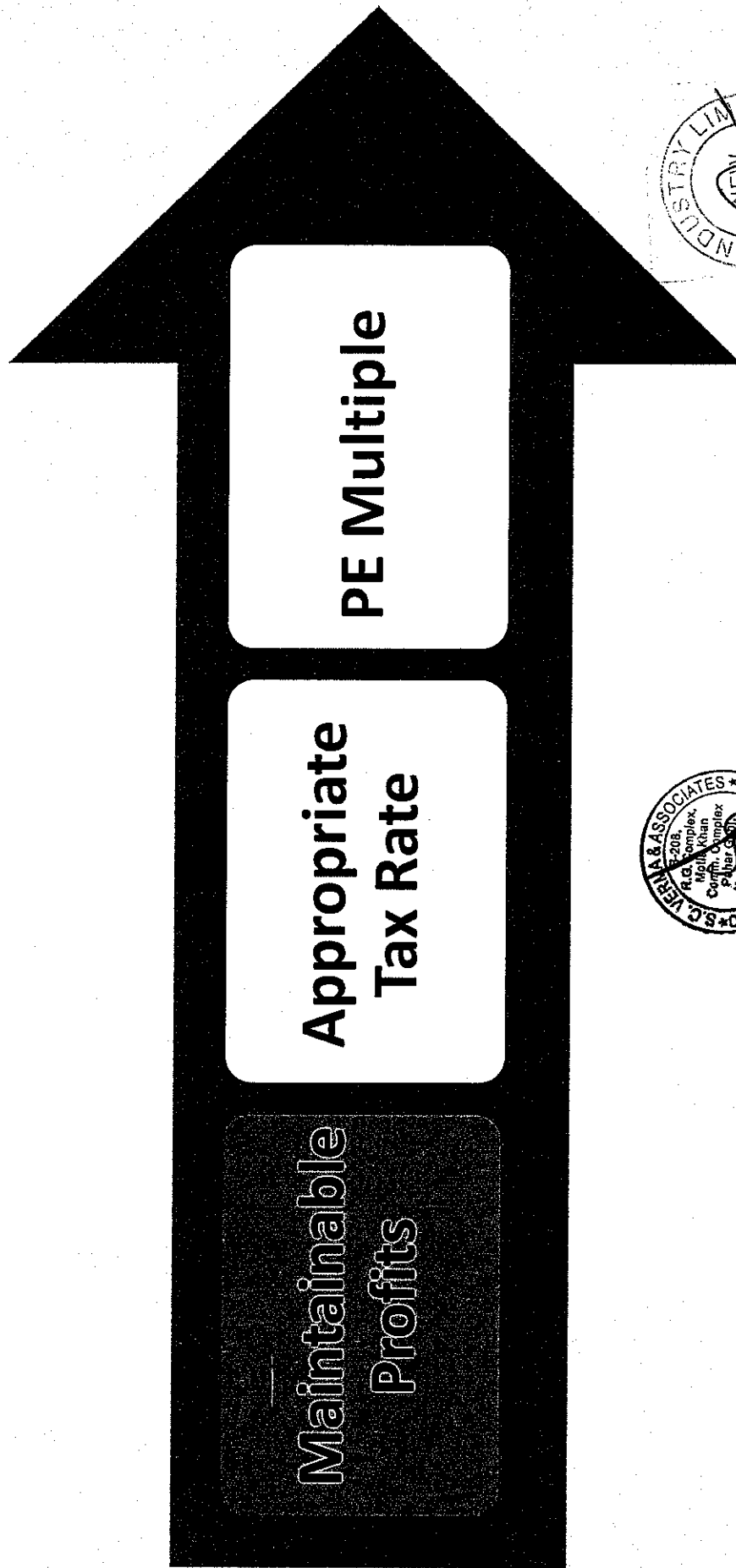
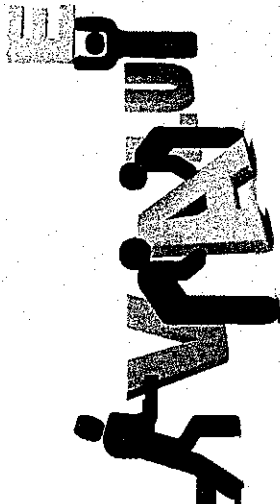


- Earnings potential ignored
- Profit generating Intangible assets could be understated
- ✓ Brand
- ✓ Patent
- Value of Human Resource not captured

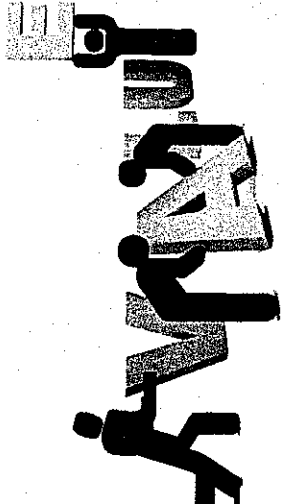


# Price Earnings Capitalization Method (PECV) - Parameters

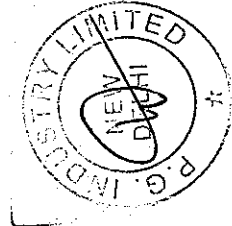
(61)



# Maintainable Earnings

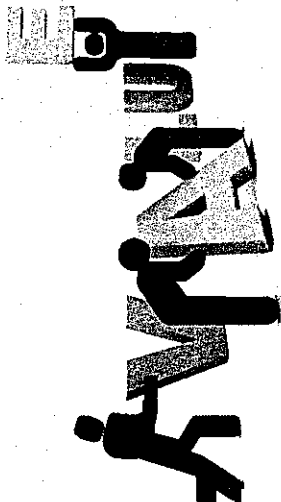


- Based on past performance and/ or projections
- Elimination of Material non-recurring/ non operational items
- Adjustment if Capacity is under-utilized or recently added
- Profits of various years averaged (simple or weighted)

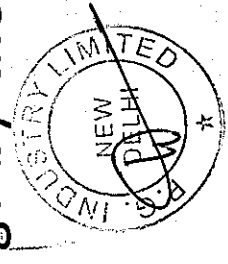


# Multiples

63



- Multiples to be applied represent the growth prospects/  
expectations of the Company
- Factors to be considered while deciding the multiple:
  - ✓ Past and Expected Growth of the Earnings
  - ✓ Performance vis-à-vis Peers
  - ✓ Size & Market Share
  - ✓ Historical Multiples enjoyed on the Stock Exchange by the  
Company and its peers

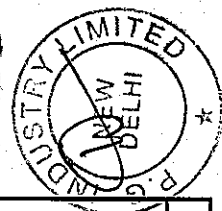


# PECV - P G Industry Limited

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AVP

PECV Method (INR Lacs) (Table-III)		INR Lacs		
CALCULATION OF ADJUSTED PBT		2014-15-Actual	2015-16-Actual	2016-17-Actual
Reported Profit before Tax		92.01	104.58	76.48
<b>Less: Non recurring Income</b>				
Rent Income		0.72	0.72	0.72
Profit from Speculative business		-	0.08	-
Others		2.41	-	0.35
Interest Income		0.91	5.09	9.29
Total Non recurring Income		4.04	5.89	10.36
<b>Add: Non recurring Expenditure</b>				
Loss on Sale of Fixed Asset		-	0.09	-
Others		-	-	-
Total of Non recurring Expenditure		-	0.09	-
Adjusted PBT		87.97	98.78	66.12
Add: Interest		197.88	216.96	206.14
Add: Depreciation		59.70	57.29	48.47
<b>Adjusted EBITDA</b>		<b>346</b>	<b>373</b>	<b>321</b>

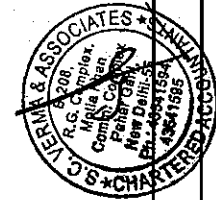




# PECV - P G Industry Limited

## Price Earnings Capitalisation Value Method

INR-Lacs			
Particulars	Adj.PBT	Weight	Product
2014-15	87.97	1	87.97
2015-16	98.78	2	197.56
2016-17	66.12	3	198.36
		6	483.89
Maintainable PBT			80.65
Tax @30%			24.19
Maintainable PAT			56.45
PE Multiple			28.40
<b>Capitalised Value of Business</b>			<b>1,603.29</b>
<b>Adjustments</b>			
Add: Appreciation in Value of Land			1,575.00
Less: Contingent Liabilities			-
Less: Deferred Tax Liabilities			20.13
Less: Preference Share Capital			-
Adjusted Earning Value			<b>3,198.42</b>
No. of Equity shares (FV - INR 10 each)			4,624,220
PECV per Share (INR)			69.17

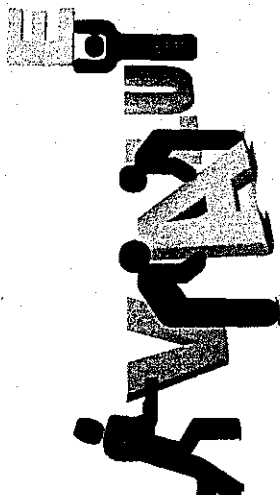


# INR |acs

CALCULATION OF ADJUSTED PBT		2015-16-Actual	2016-17-Provisional	2017-18-Proj.
Reported Profit before Tax		56.30	46.39	39.43
<b>Less: Non recurring Income</b>				
Rent Income		-	-	-
Profit from Speculative business		-	-	-
Other Income		2.62	2.36	2.25
Total Non recurring Income		2.62	2.36	2.25
<b>Add: Non recurring Expenditure</b>				
Loss on Sale of Fixed Asset		-	-	-
Others		-	-	-
Total of Non recurring Expenditure		-	-	-
Adjusted PBT		53.68	44.03	37.18
Add: Interest		131.68	117.16	108.00
Add: Depreciation		43.97	38.08	32.37
<b>Adjusted EBITDA</b>		<b>229</b>	<b>199</b>	<b>178</b>

# PECV - Priceless Overseas Limited

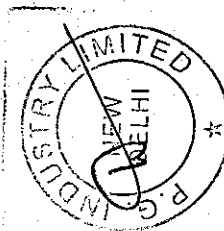
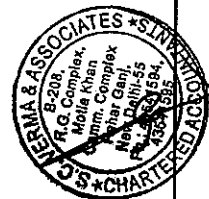
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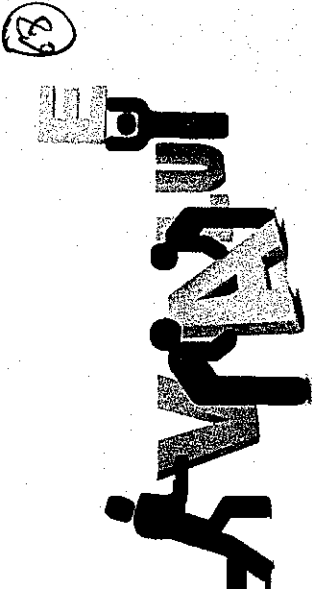
## Price Earnings Capitalisation Value Method

INR-Lacs

Particulars	Adj.PBT	Weight	Product
2015-16	53.68	1	53.68
2016-17	44.03	2	88.06
2017-18	37.18	3	111.54
		6	253.28
Maintainable PBT			42.21
Tax Rate	30%		12.66
Maintainable PAT			29.55
PE Multiple			28.40
<b>Capitalised Value of Business</b>			<b>839.20</b>
<b>Adjustments</b>			
Add: Value of Investments			6.64
Less: Contingent Liabilities			-
Less: Deferred Tax Liabilities			-27.80
Less: Preference Share Capital			-
Adjusted Earning Value			<b>818.04</b>
No. of Equity shares (FV - INR 10 each)			8,096,605
<b>PECV per Share (INR)</b>			<b>10.10</b>



# Issues in PECV Method



- Valuation of:
  - ✓ Loss making companies
  - ✓ Start-up companies
  - ✓ Finite life project companies
- Ignores time value of money
- Calculation of Maintainable Profits
  - ✓ Adjustment for non-operating / non-recurring items
- Finding listed comparable companies
- Difficulty in obtaining comparable multiples
- Effective tax Rate in PECV Method



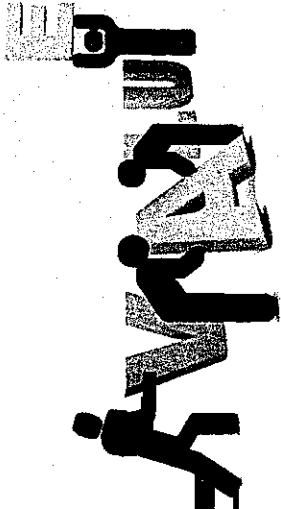
# Discounted Cash Flow (DCF)

- Values a business based on the expected cash flows over a given period of time.
- Involves determination of discount factor and growth rate for perpetuity
- Value of business is aggregate of discounted value of the cash flows for the explicit period and perpetuity



# Discounted Cash Flow (DCF)

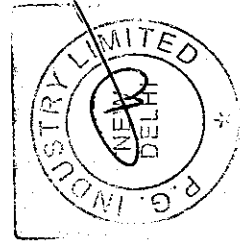
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- Considers Cash Flow and Not Profits
- Cash is King
- Free Cash Flow ('FCF')
  - ✓ FCF to Firm
  - ✓ FCF to Equity



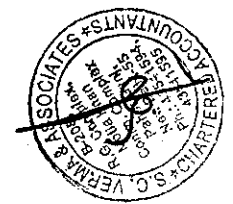
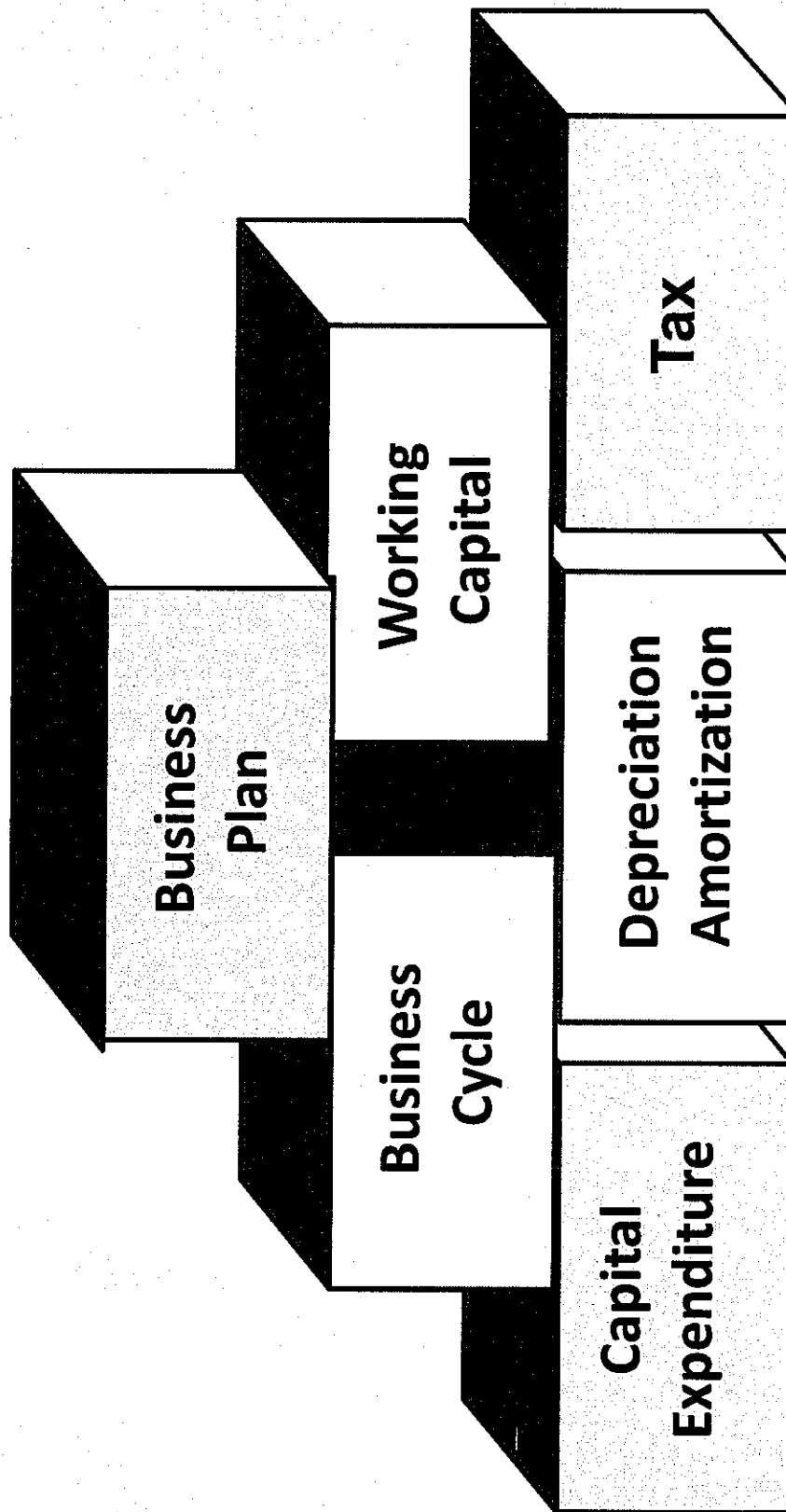
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# Cash Flows

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# DCF – Projections

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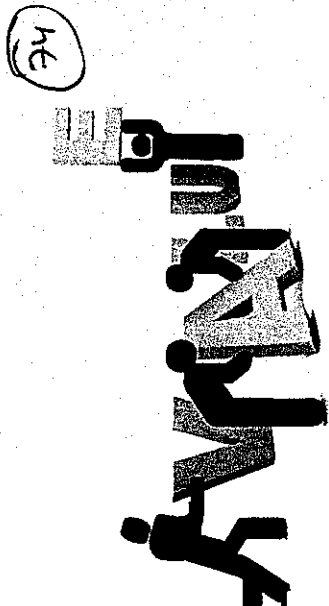


Factors to be considered for reviewing projections:

- Industry/Company Analysis
- Dependence on single customer/ supplier
- Installed capacity
- Existing policy/ legal framework
- Capital expenditure – increasing capacities
- Working capital requirements
- Alternate scenarios / sensitivities



DCF



- P G Industry Limited (Annexure-II)
- Priceless Overseas Limited (Annexure-III)



# Market Price Approach Method



The International Valuation Standards Committee defines market value as "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion." This definition is often used in real estate and other tangible asset appraisals when money is borrowed against the value of such assets.

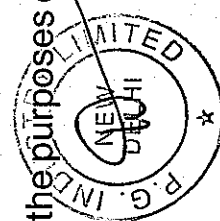
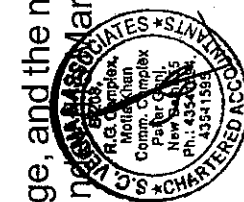
Under Market Price Approach the valuation is done on the basis of the quoted market price of the company in case it is a publicly traded company, or publicly traded comparable businesses / date is reviewed in order to identify a peer group similar the subject company and then their multiples are applied to the entity being valued to determine the fair value. Usually under the market based approach, the methods that maybe applied are Market Price Method, Comparable Multiple Method (CMM), Comparable Transaction Method (CTM) or Price of Recent Investment Method (PORI). Under CMM method various multiple like EV/Sales, EV/EBITDA, P/BV P/E, Price/Sales can be used to value a business depending upon the facts and circumstances of the cases.

## Weightages

We have attached weights, to the valuations under the different methods, which are as explained below.

We have attached a weight of 1 to the all the method as both the company have similar nature of business however their earning, and financials are different.

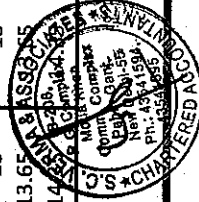
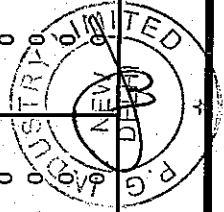
Since the shares of "PGIL" are traded on the stock exchange, and the market price is still relevant for the purposes of fair valuation, we have attached a weight of 1 to the valuation under the Market Price Method.



# Market Price Method- P G Industry Limited (Table-V)

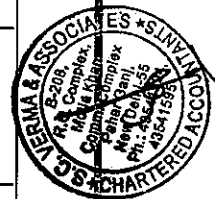
76

Date	Open Price	High Price	Low Price	Close Price	WAP	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread High-Low	Spread Close-Open
23-Aug-17	17.5	17.5	17.5	17.5	17.50	800	6	14000	800	100	0	0
22-Aug-17	18.4	18.4	18.4	18.4	18.40	2200	4	40480	2200	100	0	0
21-Aug-17	19.35	19.35	19.35	19.35	19.35	800	1	15480	800	100	0	0
18-Aug-17	20.35	20.35	20.35	20.35	20.35	60	2	1221	60	100	0	0
17-Aug-17	21	21.4	20	21.4	20.71	3400	9	70404	3210	94.41	1.4	0.4
16-Aug-17	21	21	21	21	21.00	3300	3	69300	3300	100	0	0
4-Aug-17	20.4	20.4	20	20	20.22	550	3	11120	550	100	0.4	-0.4
3-Aug-17	18.55	19.45	18.55	19.45	19.40	1700	4	32975	1700	100	0.9	0.9
1-Aug-17	18.55	18.55	18.55	18.55	18.55	500	1	9275	500	100	0	0
31-Jul-17	17.75	17.75	17.7	17.7	17.73	1700	2	30140	1700	100	0.05	-0.05
27-Jul-17	17.75	17.75	17.75	17.75	17.75	1180	5	20945	1180	100	0	0
26-Jul-17	17	17	17	17	17.00	500	1	8500	500	100	0	0
25-Jul-17	16.95	16.95	16.95	16.95	16.95	1000	3	16950	1000	100	0	0
24-Jul-17	16.4	16.4	16.4	16.4	16.40	40	1	656	40	100	0	0
20-Jul-17	15.75	15.75	15.75	15.75	15.75	200	2	3150	200	100	0	0
19-Jul-17	16.1	16.1	16.1	16.1	16.10	2500	4	40250	2500	100	0	0
18-Jul-17	15.5	15.5	15.5	15.5	15.50	1000	1	15500	1000	100	0	0
17-Jul-17	15.5	15.5	15.5	15.5	15.50	500	2	7750	500	100	0	0
13-Jul-17	14.93	14.93	14.93	14.93	14.93	3250	9	48522	3250	100	0	0
10-Jul-17	14.22	14.22	14.22	14.22	14.22	1150	2	16353	1150	100	0	0
6-Jul-17	13.55	13.55	13.55	13.55	13.55	500	2	6775	500	100	0	0
5-Jul-17	13	13	13	13	13.00	1100	2	14300	1100	100	0	0
23-Jun-17	12.45	12.45	12.45	12.45	12.45	200	1	2490	200	100	0	0
22-Jun-17	13.12	13.12	13.1	13.1	13.12	2500	2	32798	2500	100	0.02	-0.02
14-Jun-17	12.5	12.5	12.5	12.5	12.50	823	3	10287	823	100	0	0
31-May-17	12.33	12.33	12.33	12.33	12.33	700	1	8631	700	100	0	0
22-May-17	11.75	11.75	11.75	11.75	11.75	100	1	1175	100	100	0	0
19-May-17	12.25	12.25	12.25	12.25	12.25	100	1	1225	100	100	0	0
18-May-17	12.5	12.5	12.5	12.5	12.50	400	1	5000	400	100	0	0
15-May-17	13	13	13	13	13.00	1000	1	13000	1000	100	0	0
19-Apr-17	12.6	12.6	12.6	12.6	12.60	100	1	1260	100	100	0	0
17-Apr-17	12	12	12	12	12.00	2100	4	25200	2100	100	0	0
12-Apr-17	11.5	11.5	11.5	11.5	11.50	300	1	3450	300	100	0	0
5-Apr-17	11.75	11.75	11.75	11.75	11.75	100	1	1175	100	100	0	0
30-Mar-17	11.75	11.75	11.75	11.75	11.75	560	1	6580	560	100	0	0
24-Mar-17	12.35	12.35	12.35	12.35	12.35	60	1	741	60	100	0	0
22-Mar-17	13	13	13	13	13.00	300	1	3900	300	100	0	0
21-Mar-17	13.65	13.65	13.65	13.65	13.65	640	3	8736	640	100	0	0
2-Mar-17	14.35	14.35	14.35	14.35	14.35	500	1	7175	500	100	0	0
<b>Total</b>						<b>38,413</b>		<b>626,869</b>				
								<b>16.32</b>				



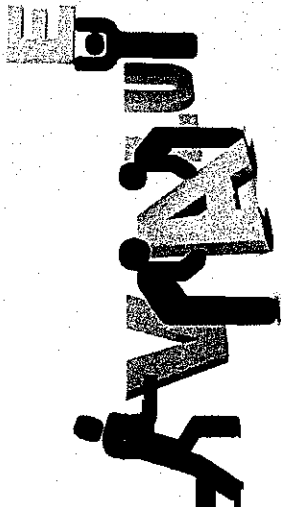
# Computation of Fair Share Exchange Ratio

Valuation Approach	P G Industry Limited		Priceless Overseas Limited	
	Value per share	Weight	Value per share	Weight
NAV Method (Table- I & II)	59.98	1	18.06	1
Price Earning Capitalization Value Method (Table-III & IV)	69.17	1	10.10	1
Income Approach Method-DCF Method (Annexure-II & III)	131.62	1	4.49	1
Market Approach Method (Table- V)	16.32	1	-	NA
Weighted Average	69.27	4	10.88	3
<b>Exchange Ratio (Rounded off )</b>	<b>6</b>		<b>1</b>	



# Conclusion of Business Value

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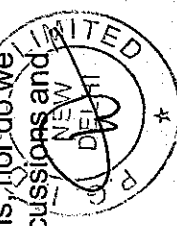
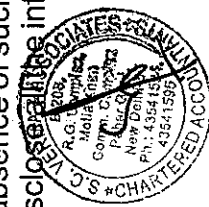
We relied upon four methods as above. We consider the results obtained from these business valuation methods to arrive at an estimate of the subject business value. In our opinion, each of the business valuation methods utilized in this Report is equally relevant. Hence, we assign an equal weight to each result and calculate our estimate of the business value as the sum of these weighted values:

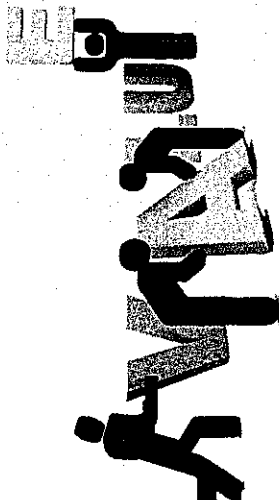
**Indicated Business Value of Merger is-SIX Shares of Priceless Overseas Limited is equal to One Share of P G Industry Limited.**

## Statement of Limiting Conditions

This business appraisal relies upon the following contingent and limiting conditions:

1. We assume no responsibility for the legal matters concerning title to all subject business assets is assumed good and marketable.
2. The business interest and subject business assets have been appraised free and clear of any liens or encumbrances unless stated otherwise in financial statements. No hidden or apparent conditions regarding the subject business assets or their ownership are assumed to exist.
3. All information provided by the client and other concerned is seems to be accurate. However, we offer no assurance as to its accuracy.
4. Unless stated otherwise in this report, we have assumed compliance of statutory provisions as applicable under SEBI. MCA, state and local laws and regulations.
5. Unless a statement to the contrary, we have assumed that no hazardous conditions or materials exist which could affect the subject business or its assets. However, we are not qualified to establish the absence of such conditions or materials, nor do we assume the responsibility for discovering the same. The report may not fully disclose all the information sources, discussions and business valuation methodologies used to arrive at the conclusion of values.





6. The valuation analysis and conclusion of value presented in the report are for the purpose of this engagement only and are not to be used for any other purpose, any other context or by any other person except the client to whom the report is addressed.
7. The opinion of value expressed in this report does not obligate us to render a comprehensive business appraisal report, to give testimony, or attend court proceedings with regard to the subject business assets, properties or business interests, unless such arrangements have been agreed previously.
8. Possession of this report does not imply a permission to publish the same or any part thereof. No part of this report is to be communicated to the public by means of advertising, news releases, sales and promotions or any other media without a prior written approval of client to whom the report is addressed.

### Appraiser Credentials and Certification

SATYA PARKASH GUPTA  
B.COM., LL. B, FCA  
Partner  
SC Verma & Associates  
B-208 RG Complex, Paharganj  
New Delhi-110055

I certify that, to the best of my knowledge and belief, the statement of facts contained in this report are true and correct as derived from the relevant financial statements and records; the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions. I have no present or prospective interest in the property which is the subject of this report, and I have no personal interest with respect to the parties involved.



(Satya Parkash Gupta)

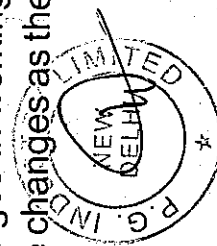


# P G Industry Limited (ANNEXURE-II)

## EQUITY VALUATION BASED ON BALANCE SHEET AS ON 31/03/2017

To estimate how much cash a firm can afford to return to its stockholders, we begin with the net income – the accounting measure of the stockholders' earnings during the period – and convert it to a cash flow by subtracting out a firm's reinvestment needs. First, any capital expenditures,efined broadly to include acquisitions, are subtracted from the net income, since they represent cash outflows. Depreciation and amortization, on the other hand, are added back in because they are non-cash charges. The difference between capital expenditures and depreciation is referred to as net capital expenditures and is usually a function of the growth characteristics of the firm. High-growth firms tend to have high net capital expenditures relative to earnings, whereas low-growth firms may have low, and sometimes even negative, net capital expenditures.

Second, increases in working capital drain a firm's cash flows, while decreases in working capital increase the cash flows available to equity investors. Firms that are growing fast, in industries with high working capital requirements (retailing, for instance), typically have large increases in working capital. Since we are interested in the cash flow effects, we consider only changes in non-cash working capital in this analysis. Finally, equity investors also have to consider the effect of changes in the levels of debt on their cash flows. Repaying the principal on existing debt represents a cash outflow; but the debt repayment may be fully or partially financed by the issue of new debt, which is a cash inflow. Again, netting the repayment of old debt against the new debt issues provides a measure of the cash flow effects of changes in debt. Allowing for the cash flow effects of net capital expenditures, changes in working capital and net changes in debt on equity investors, we can define the cash flows left over after these changes as the free cash flow to equity (FCFE).





Free Cash Flow to Equity (FCFE) = Net Income - (Capital Expenditures - Depreciation) - (Change in Non-cash Working Capital) + (New Debt Issued - Debt Repayments)

### BACKGROUND INFORMATION

INR-lakh

net income(before tax) =  
 No. of shares pending =  
 current capital expenditure =  
 current depreciation =  
 Increase in non-cash working capital in recent year =  
 net Interest bearing debt issued (paid) during the year =  
 Normalise Net Income  
 Income tax  
 Book value of Equity  
 Cash and Marketable Securities

76.48  
 46.24  
 1.59  
 48.46  
 164.10  
 134.77  
 35.54  
 30.59  
 1198.6  
 213.11

Free cash flow to equity =

Net income- (Capital expenditure- Depreciation)-Change in non-Cash working capital+Net debt issued  
 94.02

modified return on equity =

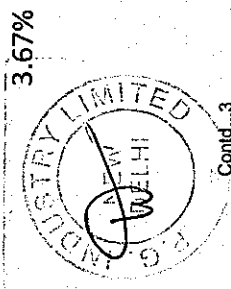
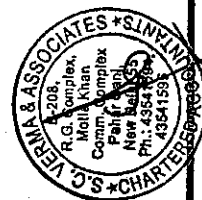
(Normalised net income-After-tax interest income from cash)/(Book value of equity-Cash and marketable securities)  
 0.50%

Capital Expenditure as percentage to EBIT of Last 5 years

	FY	2012-13	2013-14	2014-15	2015-16	2016-17
		-5	-4	-3	-2	
Net capital expenditure		-1.22	71.93	-6.87	-7.41	1.59
EBIT		399.7	288.5	289.88	321.53	282.62
Average Net cap ex. as % of EBIT						3.67%

Normalised Net capital Expenditure =

Average as % of EBIT over last 5 years \* EBIT in most recent year  
 10.36



Contd...3

Non-cash working capital in current year = 1469.28  
 revenues in current year = 5028.43  
 revenues in last year = 6458.71  
 normalised change in non-cash working capital last year = Non-cash working capital in current year \* (1-(revenues in last year/revenues in current year))  
 -417.92

Now we normalize the net debt issued by assuming that Company would continue to fund its reinvestment needs with its market debt to capital ratio

Debt Ratio  
 Interest bearing Debt 3096.67  
 Mark Value of Equity 647.39  
 Debt Ratio 82.71%  
 Normalised debt issued in current year = (Normalised Net capital Expenditure + normalised change in non-cash working capital) \* debt ratio  
 -337.09

Normalised Free Cash Flow to Equity (FCFE) = Net Income - Normalised Net Cap Expenditure- Normalized change in working capital + Normalised net debt issued  
 146.95

Equity Reinvestment Rate = 1-(FCFE/ Net Income)  
 -92.14%

Expected Growth = Equity Reinvestment Rate \* Return on Equity  
 -0.46%

Unlevered beta for agro unlisted company 0.96  
 Debt to Equity ratio 82.71%  
 Tax Rate 30.00%

b(1+(1-tax rate)/(debt to equity ratio))

Formula  
 Levered Beta 151.58%

Formula  
 Cost of Equity Bond rate+b68\*premium 12.06%

In stable growth, we assume  
 return on equity in stable period (ROE) 9.50%  
 growth rate in perpetuity in net income (g) 9.25%  
 Equity reinvestment rate in stable growth = 97.37%

Cost of Equity in stable growth = 9.50%

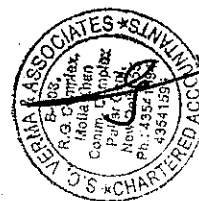
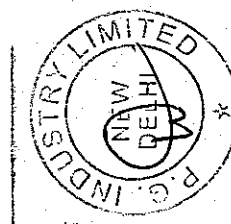
## VALUATION

After tax interest income from cash and marketable securities 35.54  
 Non cash net income =

Net income- after tax interest income from cash and marketable securities

40.94

82



(83)

	Year	Expected Growth	Net Income	Equity/reinvestment rate	FCFE	Cost of Equity	Present value
HIGH GROWTH STAGE	10	-0.46%	40.75	-92.14%	78.30	12.06%	69.87
	9	-0.46%	40.56	-92.14%	77.94	12.06%	62.06
	8	-0.46%	40.37	-92.14%	77.58	12.06%	55.12
	7	-0.46%	40.19	-92.14%	77.22	12.06%	48.96
	6	-0.46%	40.00	-92.14%	76.86	12.06%	43.49
STEADY GROWTH RATE	5	0.73%	40.29	-73.71%	70.00	11.55%	35.50
	4	1.92%	41.07	-55.29%	63.77	11.04%	29.13
	3	3.11%	42.35	-36.86%	57.95	10.53%	23.95
	2	4.31%	44.17	-18.43%	52.31	10.01%	19.65
	1	5.50%	46.60	0.00%	46.60	9.50%	15.99
Sum of the present values of FCFE during high growth =							403.74

Expected FCFE in year 11 =

(Net Income in year 11) \* (1 - stable period equity reinvestment rate)

49.16

Terminal Value of Equity =

Expected FCFE in year 11 / (stable period cost of equity - stable growth rate)

19665

Present value of terminal Equity =

6747

Value of equity today =

Sum of the present values of FCFE during high growth + PV of terminal equity

7150.98

Value of cash and marketable securities at the end of 2017 =

213.11

Value of equity including cash and marketable securities =

7364.09

value of equity per share =

value of equity / No. of shares

Value of Equity / No of shares outstanding

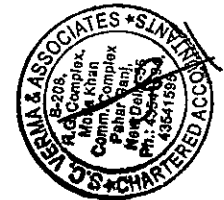
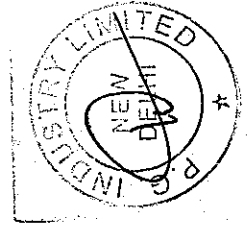
159.26

Less: Discount Factor

0.83

Net Value

131.62

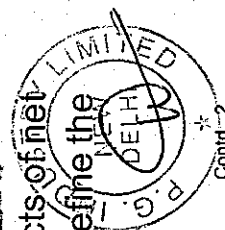


# Priceless Overseas Limited (ANNEXURE-III)

## EQUITY VALUATION BASED ON BALANCE SHEET AS ON 31/03/2017

To estimate how much cash a firm can afford to return to its stockholders, we begin with the net income – the accounting measure of the stockholders' earnings during the period – and convert it to a cash flow by subtracting out a firm's reinvestment needs. First, any capital expenditures, refined broadly to include acquisitions, are subtracted from the net income, since they represent cash outflows. Depreciation and amortization, on the other hand, are added back in because they are non-cash charges. The difference between capital expenditures and depreciation is referred to as net capital expenditures and is usually a function of the growth characteristics of the firm. High-growth firms tend to have high net capital expenditures relative to earnings, whereas low-growth firms may have low, and sometimes even negative, net capital expenditures.

Second, increases in working capital drain a firm's cash flows, while decreases in working capital increase the cash flows available to equity investors. Firms that are growing fast, in industries with high working capital requirements (retailing, for instance), typically have large increases in working capital. Since we are interested in the cash flow effects, we consider only changes in non-cash working capital in this analysis. Finally, equity investors also have to consider the effect of changes in the levels of debt on their cash flows. Repaying the principal on existing debt represents a cash outflow; but the debt repayment may be fully or partially financed by the issue of new debt, which is a cash inflow. Again, netting the repayment of old debt against the new debt issues provides a measure of the cash flow effects of changes in debt. Allowing for the cash flow effects of net capital expenditures, changes in working capital and net changes in debt on equity investors, we can define the cash flows left over after these changes as the free cash flow to equity (FCFE).



83

Free Cash Flow to Equity (FCFE) = Net Income - (Capital Expenditures - Depreciation) - (Change in Non-cash Working Capital) + (New Debt Issued - Debt Repayments)

#### BACKGROUND INFORMATION

net income(before tax) =	46.39
No. of shares pending =	80.97
current capital expenditure =	23.11
current depreciation =	45.73
Increase in non- cash working capital in most recent year =	-128.95
net debt issued (paid) during the year =	149.37
Normalise Net Income	28.87
Income tax	15.16
Book value of Equity	1459.87
Cash and Marketable Securities	10.38

free cash flow to equity =

Net income- (Capital expenditure- Depreciation)-Change in non-Cash working capital+Net debt issued  
347.33

modified return on equity =

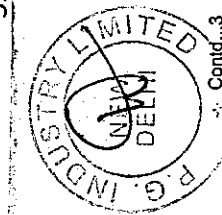
(Normalised net income-After-tax interest income from cash)/(Book value of equity-Cash and marketable securities)  
0.95%

Capital Expenditure as percentage to EBIT of Last 5 years

Financial Year	2012-13	2013-14	2014-15	2015-16	2016-17	Average
Net capital expenditure	-5	-4	-3	-2	Current	9.206
EBIT	64.8	-31.31	-5.79	-4.78	23.11	
Average Net cap ex. as % of EBIT	136.03	202.06	178.25	187.96	163.55	173.57
						5.30%

Normalised Net capital Expenditure =

Average as % of EBIT over last 5 years \* EBIT in most recent year  
8.67



Contd...3

Non-cash working capital in current year =  
 revenues in current year =  
 revenues in last year =  
 normalised change in non-cash working capital last year =

2,694.00  
 2,958.78  
 3,421.96  
 -421.73

Non-cash working capital in current year \* (1-(revenues in last year/revenues in current year))

Now we normalize the net debt issued by assuming that Company would continue to fund its reinvestment needs with its market debt to capital ratio  
 Debt Ratio

Interest bearing Debt  
 Mark Value of Equity  
 Debt Ratio

930.04  
 809.66  
 53.46%

Normalised debt issued in current year =

(Normalised Net capital Expenditure + normalised change in non-cash working capital) \* debt ratio  
 -220.82

Normalised Free Cash Flow to Equity (FCFE) =

Net Income - Normalised Net Cap Expenditure- Normalized change in working capital + Normalised net debt issued  
 238.63

Equity Reinvestment Rate =

1-(FCFE/ Net Income)

-414.39%

Expected Growth =

Equity Reinvestment Rate \* Return on Equity  
 -3.92%

Unlevered beta for agro unlisted company

Debt to Equity ratio

Tax Rate

0.96  
 53.46%  
 30.00%

Formula

Levered Beta

Formula

Cost of Equity

131.92%

In stable growth, we assume

return on equity in stable period (ROE)

growth rate in perpetuity in net income (g)

Equity reinvestment rate in stable growth =

b(1+(1-tax rate)(debt to equity ratio))

15.60%

Cost of Equity in stable growth =

12.00%

## VALUATION

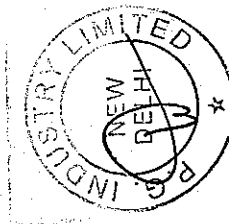
After tax interest income from cash and marketable securities

Non cash net income =

28.87

Net income- after tax interest income from cash and marketable securities

17.52



# HIGH GROWTH STAGE

# STEADY GROWTH RATE

Year	Expected Growth	Net Income	Equity reinvestment rate	FCFE	Cost of Equity	Present value
10	-3.92%	16.83	-414.39%	86.59	15.60%	74.91
9	-3.92%	16.17	-414.39%	83.20	15.60%	62.26
8	-3.92%	15.54	-414.39%	79.93	15.60%	51.75
7	-3.92%	14.93	-414.39%	76.80	15.60%	43.01
6	-3.92%	14.35	-414.39%	73.79	15.60%	35.75
5	-2.04%	14.05	-331.51%	60.64	14.88%	25.58
4	-0.15%	14.03	-248.64%	48.92	14.16%	18.07
3	1.73%	14.28	-165.76%	37.94	13.44%	12.36
2	3.62%	14.79	-82.88%	27.05	12.72%	7.82
1	5.50%	15.60	0.00%	15.60	12.00%	4.03
Sum of the present values of FCFE during high growth =						335.52

Expected FCFE in year 11 =

(Net Income in year 11)\*(1- stable period equity reinvestment rate)  
16.46

Terminal Value of Equity =

Expected FCFE in year 11/(stable period cost of equity- stable growth rate)  
235

Present value of terminal Equity =

61

Value of equity today =

Sum of the present values of FCFE during high growth + PV of terminal equity  
396.19

Value of cash and marketable securities at the end of 2017 =

103.78

Value of equity including cash and marketable securities =

499.97

value of equity per share =

value of equity/ No. of shares

Value of Equity/ No of shares outstanding

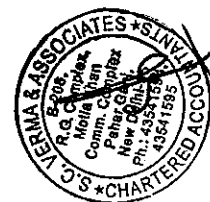
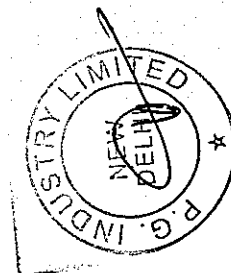
6.17

Less: Discount Factor

0.73

Net Value

4.49



**TURNAROUND CORPORATE ADVISORS PRIVATE LIMITED**

A SEBI Registered Category-I Merchant Banker

September 16, 2017

Ref: TCA/ PGIL -POL/Fairness Opinion /17-18

Board of Directors

P G Industry Limited

A - 30, S - 11, Second Floor, Kailash Colony,  
New Delhi - 110048

Board of Directors

Priceless Overseas Limited

A - 30, S - 11, Second Floor, Kailash Colony,  
New Delhi - 110048

Dear Sirs,

**Subject: Fairness Opinion on Valuation Report & Share Exchange Ratio for the purpose of proposed amalgamation of Priceless Overseas Limited with P G Industry Limited, under a proposed Scheme of Amalgamation under Sections 230 to 232 of Companies Act, 2013.**

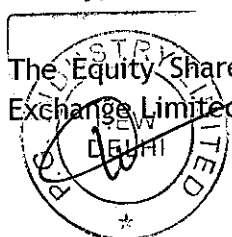
**1. Background:**

We, M/s Turnaround Corporate Advisors Private Limited, a Category I Merchant Banker registered with SEBI, having registration no. MB/INM000012290 have been jointly appointed by you to provide a fairness opinion on the valuation of shares & share exchange ratio recommended by M/s S C Verma & Associates, Chartered Accountants ("hereinafter referred to as "Valuer"), who were the appointed Valuer for the purpose of proposed amalgamation of Priceless Overseas Limited (hereinafter referred to as "Amalgamating Company" or "POL") with P G Industry Limited (hereinafter referred to as "Amalgamated Company" or "PGIL") under a proposed Scheme of Amalgamation under Sections 230 to 232 of Companies Act, 2013 ("hereinafter referred to as the "Proposed Amalgamation").

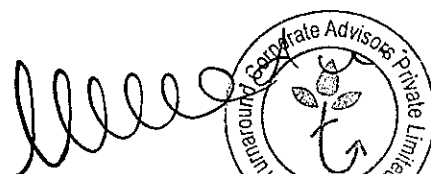
**2. Brief Background about the Companies:**

- A. P G Industry Limited ("PGIL" or "Amalgamated Company") is an existing Company incorporated on December 13, 1993 under the provisions of the Companies Act, 1956. The registered office of PGIL is situated at A - 30, S - 11, Second Floor, Kailash Colony, New Delhi - 110048. PGIL is engaged in the business of import of imported marble from select quarries spread all over the world such as Italy, Turkey, Oman, China, Spain, Greece, etc.

The Equity Shares of PGIL are listed at BSE Limited ("BSE") and Calcutta Stock Exchange Limited ("CSE").



Page 1 of 4





- B. **Priceless Overseas Limited** (hereinafter referred to as “POL” or “Amalgamating Company”) is an existing company incorporated on December 15, 1995 under the provisions of the Companies Act, 1956. The registered office of POL is situated at A - 30, S - 11, Second Floor, Kailash Colony, New Delhi - 110048. POL is engaged in the business of import of imported marble from select quarries spread all over the world such as Italy, Turkey, Oman, China, Spain, Greece, etc.

The term “Companies” wherever used hereinafter in this report shall collectively refer to PGIL and POL.

### 3. About Turnaround Corporate Advisors Private Limited:

Turnaround Corporate Advisors Private Limited (hereinafter referred to as “Turnaround” or “TCA” or “we” or “us”) is a Private Limited Company incorporated under the provisions of the Companies Act, 2013 with the Registrar of Companies, NCT of Delhi and Haryana. TCA is a Category I Merchant Banker registered with the Securities and Exchange Board of India (SEBI) with Registration No.: MB/INM000012290.

### 4. Scope and Purpose of the Opinion

This Fairness Opinion is being issued in terms of the requirement of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The purpose of the opinion is to safeguard the interest of the shareholders of PGIL and POL and this opinion shall be made available to the Boards of Directors and Shareholders of PGIL and POL at the time of their respective meetings to pass the necessary resolutions for the approving and adopting the proposed scheme of amalgamation and, to the extent mandatorily required under applicable laws of India, may be produced before judicial, regulatory or governmental authorities, in connection with the proposed amalgamation.

This opinion is restricted to meet the above mentioned purpose only and may not be used for any other purpose whatsoever or to meet the requirement of any other laws, rules, regulations and statutes.

### 5. Sources of the Information

We have received the following information from the management of the Companies for the purpose of our opinion:

- Proposed Scheme of Amalgamation under Sections 230 to 232 of Companies Act, 2013 between PGIL and POL and their respective Shareholders and Creditors

- Report on valuation of shares & share exchange ratio by M/s S C Verma & Associates, Chartered Accountants, dated September 16, 2017.

#### 6. Fairness Opinion

We have reviewed the methodologies used by the Valuer in arriving at the valuation of Shares of PGIL and POL and for providing their recommendation on the Share Exchange Ratio for the purpose of proposed amalgamation of POL into PGIL and also reviewed the underlying assumptions adopted to arrive at such valuation.

As stated in the valuation report, Valuer has recommended the following share exchange ratio for the proposed amalgamation of POL into PGIL:

- ✓ 01 Equity Shares of face value Rs. 10 each of PGIL credited as fully paid up to the shareholders of POL for every 06 Equity Shares of face value of Rs. 10/- each held in POL.

Based on the information and data made available to us including the Valuation Report and the proposed scheme of amalgamation and subject to disclaimers as mentioned in this report, we are of the opinion that, the Share exchange ratio, as suggested by M/s S C Verma & Associates, Chartered Accountants, is fair and reasonable.

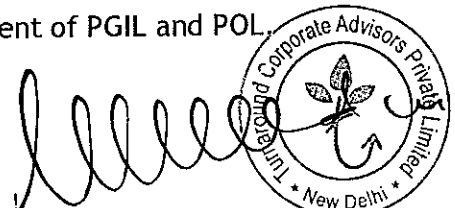
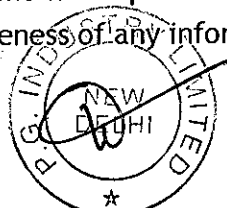
#### 7. Disclaimer:

Our scope of work did not include the following:-

- An audit of the financial statements of PGIL and POL.
- Carrying out a market survey / financial feasibility for the Business of PGIL and POL.
- Financial and Legal due diligence of PGIL and POL.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us for the purpose, and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by the management of PGIL and POL.



We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents other than those stated above.

We do not assume any obligation to update, revise or reaffirm this Valuation Report because of events or transactions occurring subsequent to the date of this report.

We understand that the management of PGIL and POL during our discussions with them would have drawn our attention to all such information and matters, which may have impact on our opinion. In this opinion we have included all such information and matters as was received by us from the management of PGIL and POL.

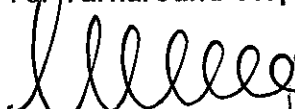
The fee for our services is not contingent upon the result of the proposed amalgamation.

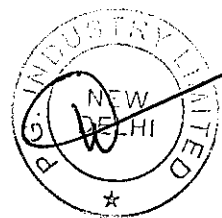
The management of PGIL and POL or their related parties are prohibited from using this opinion other than for its sole limited purpose and not to make a copy of this opinion available to any party other than those required by statute for carrying out the limited purpose of this opinion. This opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified in this opinion, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions. We would not be responsible for any litigation or other actual or threatened claims.

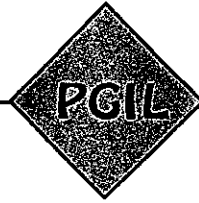
In no event, will TCA, its Directors and employees be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this opinion.

Thanking You

For Turnaround Corporate Advisors Private Limited

  
(HEEMADRI MUKERJEE)  
Managing Director





## Format for Complaints Report:

### Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	0
2.	Number of complaints forwarded by Stock Exchange	0
3.	Total Number of complaints/comments received (1+2)	0
4.	Number of complaints resolved	0
5.	Number of complaints pending	0

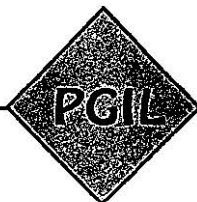
### Part B

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

For PG INDUSTRY LIMITED

Sd/-

Company Secretary  
26/10/17



**Format of the Compliance Report as per SEBI Circular No. CFD/DIL3/CIR/2017/21  
dated 10<sup>th</sup> March, 2017**

It is hereby certified that the draft scheme of arrangement involving **Priceless Overseas Limited (Amalgamating Company)** and **P G Industry Limited (Amalgamated Company)** does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and this circular, including the following:

Sl.	Reference	Particulars
1	Regulations 17 to 27 of LODR Regulations	Corporate governance requirements are not applicable as per Regulation 15 of LODR Regulations
2	Regulation 11 of LODR Regulations	Compliance with securities laws
Requirements of this circular		
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges
(b)	Para (I)(A)(2)	Conditions for schemes of arrangement involving unlisted entities
(c)	Para (I)(A)(4) (a)	Submission of Valuation Report
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting

Place: New Delhi

For P G INDUSTRY LIMITED

Sd/-

Company Secretary

Company Secretary

For PG INDUSTRY LTD.

Sd/-

Managing Director

Certified that the transactions / accounting treatment provided in the draft scheme of arrangement involving **Priceless Overseas Limited (Amalgamating Company)** and **P G Industry Limited (Amalgamated Company)** are in compliance with all the Accounting Standards applicable to a listed entity as notified from time to time.

Sd/-

Chief Financial Officer



For PG INDUSTRY LTD.

Sd/-

Managing Director



DCS/AMAL/AJ/R37/1051/2017-18

February 21, 2018

The Company Secretary  
**PG INDUSTRY LTD.**  
 A - 30, S - 11, Kailash Colony,  
 Second Floor, New Delhi, Delhi-110048

Sir,

**Sub: Observation letter regarding the Draft Scheme of Amalgamation of Priceless Overseas Limited with P G Industry Limited.**

We are in receipt of Draft Scheme of Amalgamation amongst Priceless Overseas Limited and P G Industry Limited and their respective shareholders and Creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated February 16, 2018, has inter alia given the following comment(s) on the draft scheme of arrangement:

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

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

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

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT. Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

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

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

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

Yours faithfully,



**Nitin Pujari**  
**Sr. Manager**

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
BENCH AT NEW DELHI**

**COMPANY APPLICATION NO. CA (CAA)- 70 (ND)/ 2018**  
*(Under Section 230 to 232 of the Companies Act, 2013)*

In the matter of the Companies Act, 2013

And

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder as in force from time to time

And

In the matter of :

**Priceless Overseas Limited**, a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 having Corporate Identification No. U74899DL1995PLC074681 and having its registered office at A-30, S-11, Second Floor, Kailash Colony, New Delhi- 110048.

.....Applicant Company No.1/ Transferor Company

And

**P G Industry Limited**, a company incorporated under the provisions of the Companies Act, 1956 and being a company within the meaning of the Companies Act, 2013 having Corporate Identification No. L74899DL1993PLC056421 and having its registered office at A-30, S-11, Second Floor, Kailash Colony, New Delhi- 110048.

.....Applicant Company No.2/ Transferee Company

**FORM OF PROXY FOR MEETING OF UNSECURED CREDITORS**

*(Form MGT-11 read with Section 230 and 105 of the Companies Act, 2013 and Rule 19 of the Companies (Management and Administration) Rules, 2014)*

Name of Unsecured Creditor(s) :

Registered Address :

I/We \_\_\_\_\_, the undersigned, unsecured creditor of P G Industry Limited (CIN: L74899DL1993PLC056421) do hereby appoint:

1. Name .....  
Address.....  
.....  
Email ID.....  
  
Signature....., or failing him/her
2. Name .....  
Address.....  
.....  
Email ID.....  
  
Signature....., or failing him/her

3. Name.....  
 Address.....  
 Email ID.....  
 Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Meeting of the Unsecured Creditors of P G Industry Limited to be held on Monday, 30<sup>th</sup> July, 2018 at 03:30 P. M. at **The Executive Club Resort, Dolly Farms & Resorts Private Limited, 439, Village Shahoorpur, P O Fatehpur Beri, New Delhi- 110074** in respect of such resolution as is indicated below:

Res. No.	Resolution
1.	<p><b>“RESOLVED THAT</b> the Scheme of Amalgamation of Priceless Overseas Limited and P G Industry Limited (“<i>Scheme</i>”) presented in Company Application No. CA (CAA)- 70 (ND)/ 2018 filed jointly by the said companies before the Hon’ble National Company Law Tribunal, Bench at New Delhi (“<i>Tribunal</i>”) be and is hereby approved.</p> <p><b>RESOLVED FURTHER THAT</b> the Board of Directors of P G Industry Limited (hereinafter referred to as the “Board” which term shall be deemed to mean and include one or more Committee(s) constituted by the Board or any other person authorized by it to exercise its power including the powers conferred by this resolution) 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 Tribunal / 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 in giving effect to the Scheme, as the Board may deem fit and proper.”</p>

Signed this..... day of .....2018

Signature of Unsecured Creditor(s).....

Revenue Stamp

Signature of proxy holder.....

#### NOTES:

1. Please affix appropriate Revenue stamp before putting Signature.
2. The Proxy duly stamped, signed and completed must be deposited at the Registered office of the not later than 48 (Forty Eight) hours before the commencement of meeting.
3. A proxy need not be unsecured creditor of the company.
4. All alterations, if any made in the proxy form should be initialed by the unsecured Creditor.
5. In case of multiple proxies, the Proxy later in the time shall be accepted

(\*) strike out whichever not applicable.

**P G INDUSTRY LIMITED**

**CIN: L74899DL1993PLC056421**

**Regd. office: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048**

**Contact No.: 011-26654053; Email Id: [pgindustry ltd@gmail.com](mailto:pgindustry ltd@gmail.com); Website: [www.pgil.com](http://www.pgil.com)**

**ATTENDANCE SLIP**

**(To be handed over at the entrance of the meeting hall)**

I hereby record my presence at the meeting of the Unsecured Creditors of P G Industry Limited, convened pursuant to order dated 29.05.2018 & 07.06.2018 of the Hon'ble National Company Law Tribunal, Bench at New Delhi, on The Executive Club Resort, Dolly Farms & Resorts Private Limited, 439, Village Shahoorpur, P O Fatehpur Beri, New Delhi- 110074 on Monday, the 30th day of July, 2018 at 03:30 P. M.

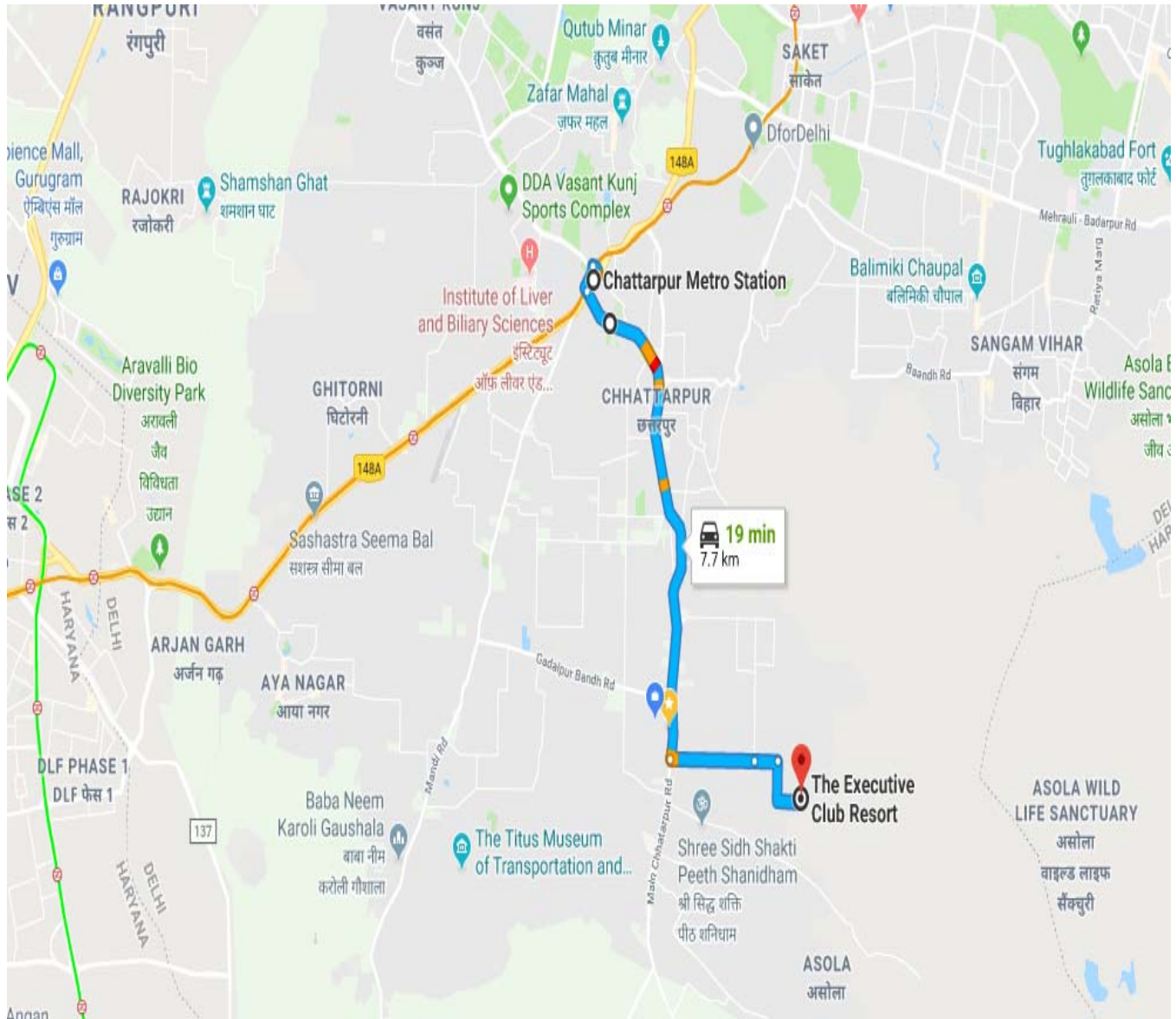
Name of the Unsecured Creditor(s) or Proxy (In Block Letters)	
Ref. No., if any	
Amount of Debt.	

\_\_\_\_\_  
**Signature of the Unsecured Creditor/ Proxy**

**Notes:**

1. Please complete this attendance slip and hand it over at the entrance of the hall.
2. Unsecured Creditor/Proxy holder who desires to attend the Meeting should bring his/her copy of the Notice for reference at the Meeting.
3. Unsecured Creditors are informed that no duplicate slips will be issued at the venue of the Meeting and they are requested to bring this slip for the Meeting.
4. Unsecured Creditor/ Proxy must bring One photo Identity Card for verification purposes.

## ROUTE MAP OF VENUE OF THE MEETING WITH PROMINENT LANDMARK FOR EASY LOCATION TO REACH AT THE VENUE



**P G INDUSTRY LIMITED****CIN: L74899DL1993PLC056421****Regd. office: A – 30, S – 11, Second Floor, Kailash Colony, New Delhi – 110048****Contact No.: 011-26654053; Email Id: [pgindustry1td@gmail.com](mailto:pgindustry1td@gmail.com); Website: [www.pgil.com](http://www.pgil.com)****POSTAL BALLOT FORM**

Pursuant to Section 110 of the Companies Act, 2013

1.	Name of Unsecured Creditor(s)			
2	Registered Address			
3	Amount of Debt			
4	I/ We exercise my/ our votes in respect of the Resolution to be passed through Postal Ballot in respect of the business stated in the Notice dated 15th June 2018 by sending my/our assent or dissent to the said resolution by placing (✓) mark in the appropriate box below:			
	Brief Particulars of the resolution proposed	<b>Please (✓) in the appropriate box below</b>		
		<b>Amount of Debt.</b>	I/ We assent to the resolution ('FOR')	I/ We dissent to the resolution ('AGAINST')
	<p><b>"RESOLVED THAT</b> the Scheme of Amalgamation of Priceless Overseas Limited and P G Industry Limited ("Scheme") presented in Company Application No. CA (CAA)- 70 (ND)/ 2018 filed jointly by the said companies before the Hon'ble National Company Law Tribunal, Bench at New Delhi ("Tribunal") be and is hereby approved.</p> <p><b>RESOLVED FURTHER THAT</b> the Board of Directors of P G Industry Limited (hereinafter referred to as the "Board" which term shall be deemed to mean and include one or more Committee(s) constituted by the Board or any other person authorized by it to exercise its power including the powers conferred by this resolution) 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 Tribunal / 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 in giving effect to the Scheme, as the Board may deem fit and proper."</p>			

Place:

Date:

.....  
 Signature of the Unsecured Creditor or the Authorized Representative  
 (as per instructions overleaf)

Note: Please read the notes/ instructions printed on the Postal Ballot Notice/ Form carefully before exercising your vote.

## INSTRUCTIONS

1. An Unsecured Creditor desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the enclosed self addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing postal ballots, if deposited in person or sent by courier at the expenses of the member will also be accepted.
2. The self-addressed postage pre-paid envelope bears the address of the Scrutinizer appointed by the Hon`ble National Company Law Tribunal, Bench at New Delhi which has been authorized in this regard.
3. This form should be completed and signed by the Unsecured Creditor.
4. Unsigned, incomplete, incorrect Forms will be rejected.
5. Unsecured Creditors may not use all their votes and may not cast all their votes in the same way.
6. Duly completed Postal Ballot Forms should reach the Scrutinizer not later than the close of working hours on Sunday, 29<sup>th</sup> July, 2018. All Postal Ballot Forms received after this date will be treated as if reply from such Unsecured Creditor has not been received.
7. An Unsecured Creditor may request for a duplicate Postal Ballot form if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified at item no. 6 above.
8. In case of Form is signed by an Authorized representative of a Body Corporate, Trust, Societies or any other entity, a certified true copy of the Board resolution or a specific authorization of such other entity as the case may be, giving requisite authority to the person voting on the Postal Ballot Form should accompany the Postal Ballot Form.
9. The consent must be accorded by recording the assent in the Column 'FOR' and dissent in the Column 'AGAINST' by placing a tick mark (✓) in the appropriate column.
10. Voting right shall be reckoned on the amount of Unsecured Creditors on the cut-off date i.e. Friday, 15<sup>th</sup> July, 2018.
11. There should be one postal ballot for every Unsecured Creditor and proxy shall not be exercised for Postal Ballot.
12. Unsecured Creditors are requested not to send any other paper along with the Form in the enclosed self-addressed envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
13. The Scrutinizer's decision on the validity of a Postal Ballot Form will be final.

The results of the Postal Ballot will be declared at the Registered Office of the Company as specified in the Notice.