



ASIAN PAINTS LIMITED

CIN: L24220MH1945PLC004598

Registered Office: 6A, Shantinagar, Santacruz (East), Mumbai – 400 055, Maharashtra

Tel No.: 022 - 6218 1000 **Fax No.:** 022 - 6218 1111

Email: investor.relations@asianpaints.com **Website:** www.asianpaints.com

NOTICE OF MEETING OF THE EQUITY SHAREHOLDERS OF ASIAN PAINTS LIMITED CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

Day	Thursday
Date	September 14, 2017
Time	11.00 a.m.
Venue	Patkar Hall, Nathibai Thackersey Road, New Marine Lines, Mumbai – 400 020

POSTAL BALLOT AND E-VOTING

Commencing on	August 14, 2017 (IST 9.00 am)
Ending on	September 13, 2017 (IST 5.00 pm)

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT MUMBAI
COMPANY SCHEME APPLICATION NO. 713 OF 2017

In the matter of the Companies Act, 2013;

And

In the matter of application under Section 230–232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force)

And

In the matter of Scheme of Amalgamation of Asian Paints (International) Limited (**'Transferor Company'**) with Asian Paints Limited (**'Applicant Company'** or **'Transferee Company'** or **'Company'**).

Asian Paints Limited [CIN: L24220MH1945PLC004598], a)
company incorporated under the Companies Act, 1913)
having its registered office at 6A, Shantinagar, Santacruz)
(East), Mumbai – 400 055)

... Applicant Company

FORM NO. CAA - 2

NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF ASIAN PAINTS LIMITED,
THE APPLICANT COMPANY

To,

The Equity Shareholders of Asian Paints Limited

Notice is hereby given that by an Order dated Thursday, July 27, 2017 (the 'Order'), the Hon'ble Mumbai Bench of the National Company Law Tribunal ('Hon'ble Tribunal' or 'NCLT') in the above mentioned Company Scheme Application has directed that a Meeting of the Equity Shareholders of the Applicant Company, be convened and held at Patkar Hall, Nathibai Thackersey Road, New Marine Lines, Mumbai – 400 020 on Thursday, September 14, 2017 at 11 a.m. (the 'Meeting') to consider, and, if thought fit, to approve with or without modification(s), the proposed Scheme of Amalgamation of Asian Paints (International) Limited ('Transferor Company') with Asian Paints Limited ('Applicant Company' or 'Transferee Company' or 'Company') ('Scheme').

In pursuance of the said Order and as directed therein further notice is hereby given that a meeting of the equity shareholders of the Company will be held at Patkar Hall, Nathibai Thackersey Road, New Marine Lines, Mumbai – 400 020 on September 14, 2017 at 11 a.m. at which time and place you are requested to attend the Meeting.

Copies of the Scheme, the Explanatory Statement under Sections 102 and 230 read with Section 232 of the Companies Act, 2013, Form of Proxy, Attendance Slip and other annexures as stated in the Index are enclosed herewith. Further, copies of the Scheme and Statement under Section 230 of the Companies Act, 2013 can be obtained free of charge at the registered office of the Applicant Company.

You may attend and vote at the Meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the Registered Office of the Applicant Company at 6A, Shantinagar, Santacruz (East), Mumbai – 400 055, not later than 48 hours before the scheduled time of the Meeting. Proxy Form is enclosed herewith and can be had at the Registered Office of the Company.

The Hon'ble Tribunal has appointed Mr. Ashwin Choksi, Chairman of the Applicant Company or Mr. Ashwin Dani, Vice - Chairman of the Applicant Company or Mr. KBS Anand, Managing Director & CEO of the Applicant Company, to be the Chairman of the Meeting or of any adjournment(s) thereof.

In accordance with the applicable regulatory provisions, in addition to casting of votes electronically at the Meeting, the Company has provided the Equity Shareholders with the facility for casting their votes either by way of postal ballot or by way of remote e-voting using the facility offered by the National Securities Depository Limited (NSDL). The Shareholders may refer to the "Notes" to this Notice for further details on voting through postal ballot and remote e-voting. The Applicant Company will also provide the facility of voting through electronic voting systems at the venue of the Meeting.

The Audit Committee and the Board of Directors of the Applicant Company at their respective Meetings held on October 24, 2016 and October 25, 2016 have approved the Scheme, subject to approval by the requisite majority of the Shareholders of the Applicant Company as may be required by the Hon'ble Tribunal, and subject to the sanction of the Hon'ble Tribunal and of such other authorities as may be necessary.

The voting rights of Equity Shareholders shall be in proportion to their Equity Shareholding in the Company as on the close of business on Friday, July 28, 2017 ('Cut-off Date').

To consider and if thought fit to pass, with or without modification(s), the following resolutions under Sections 230 to 232 and 234 of the Companies Act, 2013 read with the Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force):

"RESOLVED THAT pursuant to the provisions of Section 230 read with Sections 232 and 234 of the Companies Act, 2013 read with the Companies (Compromise, Arrangement and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions, if any, of the Companies Act, 2013 and the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Mumbai Bench of the National Company Law Tribunal, and subject to such other approvals, permissions and sanctions of regulatory and other authorities including Reserve Bank of India, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Mumbai Bench of the National Company Law Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to mean and include one or more Committee(s) constituted/ to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the Scheme of Amalgamation of Asian Paints (International) Limited ('Transferor Company') with Asian Paints Limited ('Applicant Company' or 'Transferee Company' or 'Company') ('Scheme') placed before this Meeting, be and is hereby approved.

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

Sd/-
Ashwin Choksi
DIN : 00009095
Chairman Appointed for the Meeting

Date : August 9, 2017
Place : Mumbai

Registered Office:

Asian Paints Limited
6A, Shantinagar,
Santacruz (East),
Mumbai – 400 055
Email: investor.relations@asianpaints.com
Website: www.asianpaints.com

Notes:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than 48 (forty-eight) hours before commencement of the Meeting.
2. The Proxy-holder shall prove his identity at the time of attending the Meeting.
3. All alterations made in the Form of Proxy should be initialled. The proxy form can be obtained free of charge from the registered office of the Applicant Company.
4. Only registered Equity Shareholders of the Applicant Company may attend and vote (either in person or by proxy or by Authorized Representative under Sections 112 and 113 of the Companies Act, 2013) at the Equity Shareholders' Meeting or through electronic means. The Authorized Representative of a body corporate which is a registered Equity Shareholder of the Applicant Company may attend and vote at the Equity Shareholders' Meeting provided a certified true copy of the resolution of the Board of Directors under Section 113 of the Companies Act, 2013 or other governing body of the body corporate authorizing such representative to attend and vote at the Equity Shareholders' Meeting is deposited at the Registered Office of the Applicant Company not later than 48 (forty eight) hours before the Meeting.
5. A person can act as a proxy on behalf of Members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Applicant Company carrying voting rights. A Member holding more than 10% of the total share capital of the Applicant Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
6. It is further clarified that the Proxies can only vote on tablet based electronic voting at the Meeting and not through any other mode.
7. During the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, an Equity Shareholder would be entitled to inspect the proxies lodged at any time during the business hours of the Applicant Company, provided that not less than 3 (three) days of notice in writing is given to the Applicant Company.
8. Foreign Institutional Investors who are registered Equity Shareholder(s) of the Applicant Company would be required to deposit certified copies of power of attorney, authorizing the individuals named therein, to attend and vote at the Meeting on its behalf. These documents must be deposited at the Registered Office of the Applicant Company not later than 48 (forty-eight) hours before the Meeting.
9. A Member or his/her Proxy is requested to bring the copy of the notice to the Meeting and produce the attendance slip, duly completed and signed, at the entrance of the Meeting venue.
10. Members who hold Shares in dematerialized form are requested to bring their Client ID and DP ID number for easy identification of attendance at the Meeting.
11. Members are informed that in case of joint holders attending the Meeting, only such joint holder whose name stands first in the Register of Members of the Applicant Company/list of beneficial owners as received from NSDL/ Central Depository Services (India) Limited in respect of such joint holding will be entitled to vote.

12. The Notice is being sent to all Members, whose names appeared in the Register of Members/Beneficial Owner as per the details furnished by the Depositories as on Friday, July 28, 2017. This Notice of the NCLT Convened Meeting of Members of the Applicant Company is also displayed / posted on the website of the Applicant Company at www.asianpaints.com and on the website of NSDL at www.evoting.nsdl.com.
13. In compliance with the provisions of (i) Section 230(4) read with Sections 108 and 110 of the Companies Act, 2013; (ii) Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014; (iii) Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and (iv) Secretarial Standards-2 on General Meetings, the Company has also provided the facility to the Shareholders to cast their votes either by way of postal ballot or through remote e-voting facility arranged by NSDL, prior to the Meeting. The Applicant Company has also provided the facility of voting through electronic voting systems at the venue of the meeting for the members who have not cast their vote earlier.
14. Member(s) can opt only for one mode of voting. If a Member has opted for voting through the remote e-voting, then he/she should not vote through postal ballot and vice versa. However, in case Members cast their vote both through remote e-voting and postal ballot, then voting through remote e-voting shall prevail and voting done by postal ballot shall be treated as invalid.
15. It is clarified that votes may be cast by Shareholders either by postal ballot or e-voting and casting of votes by postal ballot or e-voting does not disentitle them from attending the Meeting. Shareholder after exercising his right to vote through postal ballot or e-voting shall not be allowed to vote again at the Meeting.
16. Voting rights shall be reckoned on the paid-up value of the shares registered in the name(s) of the Members on the cut-off date, i.e. Friday, July 28, 2017.
17. The voting period for postal ballot and remote e-voting shall commence on and from Monday, August 14, 2017 at 9.00 a.m. (IST) and end on Wednesday, September 13, 2017 at 5.00 p.m. (IST).
18. As directed by Hon'ble Tribunal, Mr. S. N. Ananthasubramanian (Certificate of Practice No. 1774) and failing him Ms. Aparna Gadgil (Certificate of Practice No. 8430) shall act as Scrutinizer to scrutinize votes cast either through Postal Ballot and remote e-voting and through the tablet based electronic voting at the Meeting and shall submit a report on votes cast, to the Chairman of the Meeting within 48 (forty-eight) hours from the conclusion of the Meeting.
19. The result of the voting shall be announced by the Chairman on or after Friday, September 15, 2017, upon receipt of Scrutinizer's report and same shall be displayed on the website of the Applicant Company www.asianpaints.com and on NSDL website at www.evoting.nsdl.com besides being sent to BSE Limited and National Stock Exchange of India Limited on the said date.
20. The particulars as required under Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) with regards to the remote e-voting shall be published through an advertisement in the following newspapers (i) Business Standard and Free Press Journal in English language and (ii) Punyanagri and Navshakti in the Marathi language, both having circulation in district where the Registered office of the Company is situated.
21. In case of Equity Shares held by companies, trusts, societies, etc., the duly completed postal ballot form should be accompanied by a certified true copy of the Board Resolution / Authority.
22. All relevant documents referred to in the above Notice and other documents have been kept open for inspection by Members of the Applicant Company at its Registered Office of the Applicant Company at Asian Paints Limited, 6A, Shantinagar, Santacruz (East), Mumbai - 400 055, Maharashtra, between 10.00 a.m. to 12 noon on all working days (except Saturdays, Sundays and Holidays) up to the date of the Meeting.

23. The instructions for Members for remote e-voting are as under:

A. Members whose shareholding is in dematerialised form and whose email addresses are registered with the Company/Depository Participant(s) will receive an email from NSDL informing the User-ID and Password:

- i) Open email and open PDF file viz. "APL remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "APL remote e-voting.pdf"

- ii) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com>
- iii) Click on Shareholder – Login
- iv) Put User ID and Password. Click Login. (the initial password mentioned in the e-mail sent by NSDL to shareholders whose email addresses are registered with the Company/Depository Participant(s) or mentioned in the postal ballot form)
- v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- vii) Select "EVEN" (E-Voting Event Number) of Asian Paints Limited is 106656.
- viii) Now you are ready for remote e-voting as Cast Vote page opens.
- ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- xi) Once you have voted, you will not be allowed to modify your vote.
- xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer through e-mail to asianpaints.scrutinizer@asianpaints.com, with a copy marked to evoting@nsdl.co.in.

B. For Members holding shares in dematerialised form whose email IDs are not registered with the Company/ Depository Participants and Members holding shares in physical form as well as those Members who have requested for a physical copy of the Notice, it may be noted that the Initial User ID & Password is being provided in the postal ballot form. Such members are requested to follow all steps from Sl. No. (ii) to (xii) above to cast vote.

- i) If you are already registered with NSDL for e-voting, then you can use your existing User ID and password for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com.
 - ii) In case Shareholders are holding shares in demat mode, User-ID is the combination of (DP ID + Client ID).
 - iii) In case Shareholders are holding shares in physical mode, User-ID is the combination of (Even No + Folio No).
- C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at downloads section of www.evoting.nsdl.com or call on toll free no 1800-222-990. In order to address any grievances relating to e-voting, you may write to Mr. Rajiv Ranjan, Asst. Manager, NSDL at the designated email id evoting@nsdl.co.in or rajivr@nsdl.co.in or at the following telephone no. 022 2499 4600.
- D. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT MUMBAI
COMPANY SCHEME APPLICATION NO. 713 OF 2017

In the matter of the Companies Act, 2013;

And

In the matter of application under Section 230–232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or re-enactment thereof for the time being in force)

And

In the matter of Scheme of Amalgamation of Asian Paints (International) Limited (**‘Transferor Company’**) with Asian Paints Limited (**‘Applicant Company’** or **‘Transferee Company’** or **‘Company’**).

Asian Paints Limited [CIN: L24220MH1945PLC004598], a)
company incorporated under the Companies Act, 1913)
having its registered office at 6A, Shantinagar, Santacruz)
(East), Mumbai – 400 055)

... Applicant Company

EXPLANATORY STATEMENT UNDER SECTIONS 102 AND 230 READ WITH SECTION 232 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE COMPANIES ACT, 2013 FOR THE MEETING OF EQUITY SHAREHOLDERS OF ASIAN PAINTS LIMITED, CONVENED AS PER THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

1. This is a statement accompanying the Notice convening the Meeting of the Equity Shareholders of the Applicant Company, pursuant to an Order passed on Thursday, July 27, 2017 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble Tribunal' or 'NCLT') in the Company Scheme Application No. 713 of 2017, referred to hereinabove, to be held on Thursday, September 14, 2017 at 11 a.m. for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Asian Paints (International) Limited (**“Transferor Company”**) with Asian Paints Limited (**“Transferee Company”** or **“Applicant Company”** or **“Company”**) (**“Scheme”**).
2. A copy of the Scheme is attached herewith as **Annexure A**. The proposed Scheme is envisaged to be effective from the Appointed Date (i.e., January 1, 2017) but shall be made operative from the Effective Date (as defined in the Scheme).
3. Pursuant to the Order made on Thursday, July 27, 2017 by the Hon'ble Tribunal, in Company Scheme Application No. 713 of 2017, a Meeting of the Equity Shareholders of the Applicant Company is being convened and held for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme.
4. The said Order will be available for inspection at the Registered Office of the Applicant Company at 6A, Shantinagar, Santacruz (East), Mumbai – 400 055 during business hours on any working day of the Applicant Company up to the date of the Meeting.

5. Background of Companies

5.1. The Applicant Company, Asian Paints Limited (APL), was incorporated on 24th October, 1945 in Mumbai in the State of Maharashtra under the provisions of the Indian Companies Act, 1913 by the Registrar of Companies, Bombay vide Certificate of Incorporation No. 4598 of 1945-1946 and having PAN AAACA3622K and CIN L24220MH1945PLC004598. The email address of the Applicant Company is investor.relations@asianpaints.com.

5.2. The share capital of the Applicant Company as on March 31, 2017 is as under:

Particulars	Amount (₹ in Crores)
Authorised Capital	
99,50,00,000 Ordinary Shares of ₹ 1/- each	99.50
50,000 11% redeemable cumulative preference shares of ₹ 100/- each	0.50
Total	100.00
Issued, Subscribed and Paid Up Capital	
95,91,97,790 Ordinary Shares of ₹ 1/- each fully paid	95.92
Total	95.92

As on date, there has been no change in the authorized, issued, subscribed and paid up share capital of the Applicant Company.

5.3. The Applicant Company is a publicly listed company engaged *inter alia* in the business of manufacturing (i) paints, varnishes, enamels or lacquers (ii) surfacing preparations; organic composite solvents and thinners, and other related products (iii) organic and inorganic compounds, etc. (iv) home improvement products such as bath, sinks, washbasins and similar articles.

5.4. The equity shares of the Company are listed and traded on the BSE Limited ('BSE') and the National Stock Exchange of India Ltd. ('NSE').

5.5. The details of Directors of the Applicant Company along with their addresses are mentioned herein below:

Sr. No.	Name of Director	Category	Address
1.	Shri Ashwin Choksi	Non-Executive Chairman / Promoter	11/A, Jeevan Asha, 60 A, Peddar Road, Mumbai – 400 026
2.	Shri Ashwin Dani	Non – Executive Vice Chairman / Promoter	Home Villa, 48, Krishna Sanghi Path, Mumbai – 400 007
3.	Shri Abhay Vakil	Non-Executive Director/ Promoter	Geetanjali, 9A, Gamadia Road, Off Peddar Road, Mumbai – 400 026
4.	Shri K.B.S. Anand	Managing Director & CEO	251, Kalpataru Heights, Sane Guruji Marg, Jacob Circle, Mumbai – 400 011
5.	Shri Mahendra Choksi	Non-Executive Director/ Promoter	C – 1801/1802, Beaumonde, Appasaheb Marathe Marg, Mumbai – 400 025
6.	Shri Malav Dani	Non-Executive Director/ Promoter	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007

Sr. No.	Name of Director	Category	Address
7.	Ms. Amrita Vakil	Non-Executive Director/ Promoter	Geetanjali, 9N, Gamadia Road, Off Peddar Road, Mumbai – 400 026
8.	Shri Deepak Satwalekar	Non-Executive Director/ Independent	Flat No. 401, 4th floor, The Orchid, 12th Road, Plot No. 252, Near Madhu Park, Khar (West), Mumbai – 400 052
9.	Dr. S. Sivaram	Non-Executive Director/ Independent	Apartment No. 10, Gulmohar Glory-5, Gulmohar Park, ITI Road, Aundh, Pune – 411 007
10.	Shri Mahendra Shah	Non-Executive Director/ Independent	3A, Darbhanga Mansion, 12, Carmichael Road, Mumbai – 400 026
11.	Shri S. Ramadorai	Non-Executive Director/ Independent	Flat No.1, First Floor, Wyoming, Little Gibbs Road, Malabar Hill, Mumbai – 400 006
12.	Shri M.K. Sharma	Non-Executive Director/ Independent	192 Centrum Towers, Barkhat Ali Road, Near Wadala Flyover, Wadala East, Mumbai – 400 037
13.	Mrs. Vibha Paul Rishi	Non-Executive Director/ Independent	812, The Aralias, Golf Course Road, Chakrapur, Gurgaon - 122 002
14.	Shri R. Seshasayee	Non-Executive Director/ Independent	Krishna, 20 Luz Avenue II Street, Mylapore, Chennai - 600 004

- 5.6. The details of the Promoters of the Applicant Company along with their addresses is appended and marked as **Annexure B**.
- 5.7. The amount due to unsecured creditors of the Applicant Company as on March 31, 2017 is ₹ 1,904.95 crores.
- 5.8. The main objects of the Applicant Company as set out in Clause III of its Memorandum of Association are as follows:
- “1. To acquire and take over as a going concern and carry on the business of manufacturing Oil & Colour Paints of all kinds and also brushes required for painting etc., now carried on by Messrs. Suryakant Chandulal Dani, Champaklal Hiralal Choksey, Arvind Ishwarlal Vakil, Himatlal J. Vora and Chimanlal Nanabhai Choksi in partnership in Bombay in the name and style of “Asian Oil & Paint Co.,” together with all the real and personal property and assets of the said partnership firm of that business used in connection therewith belonging thereto inducing all assets, liabilities, name, goodwill etc., of the business recently purchased and run by them in the name and style of “Universal Paint Manufacturing Co.” and with a view thereto to enter and carry into effect either with or without modification an agreement which has been already prepared and engrossed and is expressed to be made between the said partnership firm of the one part and the above named company of the other part, a copy whereof has for the purpose of identification been signed by the two of the subscribers hereto.

2. *To carry on, either in connection with the business aforesaid or as distinct or separate businesses, the businesses of manufacturing Oil and Colour Paints of all types and all kinds including manufacturers and dealers in Lacquers, Enamels, Paints, Varnishes, Oils, Distempers, Dry Colours, Minerals, Disinfectants, Turpentine, Painting Brushes, and/or any other item or items that can be manufactured or dealt with in connection with the Company's aforesaid business.*
3. *To carry on the business of manufacturers, dealers, importers, of Oil and Colour Paints and Brushes of all types and all kinds including Lacquers, Enamels, Paints, Varnishes, Oils, Distempers, Dry Colours, Minerals, Disinfectants, Turpentine, Painting Brushes and other item connecting with the business of Oil and Coloured Paints.*
- 3-A *To carry on business as manufacturers and dealers in:*
 - (a) *All types of synthetic rubbers and elastomers, synthetic resins, plastics, latices and formulations thereof including reclaimed rubber and all kinds of rubber and plastic products and goods;*
 - (b) *Styrene, butadiene and similar monomers, ethylene, alcohol, petroleum fractions and other chemical substances of all kinds, to manufacture compounds, synthetic and other substances, basic, intermediate or otherwise from chemical substances of all kinds;*
 - (c) *All kinds of plastic materials, styrene, polystyrene, vinyl chloride, polyvinyl chloride, polyethylene, polyoleifines, vinyl acetate and copolymers of one or more of the above and/or other products, acrylics and polyesters, polycarbonate and polyethers and epoxy resins and compositions, silicon resins and compositions, P-F, U-F and other thermosetting resins and moulding compositions, nylons, Rilsan and similar thermoplastics and moulding compositions including refabricated sections and shapes, cellulosic plastics and other thermosetting and thermoplastic materials (of synthetic or natural origin) oxygen, nitrogen, hydrogen, halogen, hydrocarbon gases, including ethylene and acetylene, propylene, butanes and homologues and allied types of reagents, weedicides, pesticides, fungicides, colouring materials, pigments and lakes, dyes, toners, perfumes and flavoring chemicals, rubber chemicals, plastic and resinous materials, elastomers, gums, glues and adhesive and sealant compositions, plasticizers, surface active agents, tanning agent, coating resins, solvents, marine chemicals, synthetic fibres, fertilisers and all types of Industrial chemicals, acids, alkalies, hormones, trace elements;*
 - (d) *Alkalies, acids, tanins, essences, and photographic, sizing, chemical, petrochemical, industrial and other preparations and articles of any nature and kind whatsoever, waxes natural and synthetic, industrial solvents and pasting agents, extenders, rubber chemicals including vulcanisers, anti-oxidants, accelerators, reinforcing agents, silica compounds, softners, blowing agents, and special chemical substances, cements, pigments, plasticizers and extenders, dyestuffs and intermediates;*
 - (e) *All types of chemicals, including basic chemicals, organic and inorganic chemicals and fertilisers, plant growth activators and regulators and other articles and compounds, ingredients and products and other things of any description for use in connection therewith.*
- 3-B *To carry on the business of home improvement & decor including interior and exterior furnishers & decorators for home, offices, factories or any other building and for the purpose to manufacture, process, produce, prepare, make, sell, purchase, import, export, trade, market, all types of items/products of exterior and interior decoration/ furnishing, modular furniture, modular kitchens, all kinds of kitchen appliances, wooden furniture, steel furniture including wood, mica, laminates, partitions, panel products, rods, laminates, plywood, doors, windows made from wood, board, aluminum, kitchenware,*

venetian blinds, grills, door closures, all types of fittings, bathroom faucets and other fixtures, hardware, glasses, mirrors, sun films, wall papers, wall cladding, leatherette cloth, sanitary fittings, electric fittings and other accessories, fans, lamps, coolers, security items, all kinds of appliances and other products; all types of building materials including flooring materials which includes tiles, wooden flooring, flooring laminates, industrial flooring, carpets, rugs; all types of roofing materials, shingles; insulation materials, construction chemicals, water proofing; prefabricated building materials and other building material and architectural work”.

5.9. The Transferor Company, Asian Paints (International) Limited ('APIL'), was incorporated on September 3, 1999 at Mauritius under the provisions of the Mauritius Companies Act, as evidenced from the Certificate of Incorporation issued by the Registrar of Companies, Mauritius. The Transferor Company was thereafter incorporated by continuation on September 13, 2000 as a private company limited by shares. At the time of making the application for approval of the Scheme before the Stock Exchanges, the Transferor Company was holding a Category 1 Global Business Licence issued by the Financial Services Commission under the laws of Mauritius, and its conversion into a Category 2 Global Business Licence Company was under process. The Transferor Company has now been issued a Category 2 Global Business Licence by the Financial Services Commission on November 24, 2016 under the laws of Mauritius and a fresh Certificate of Incorporation as a Category 2 Global Business Licence Company. The registered office of the Transferor Company is situated at 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene in Mauritius. The email address of the Transferor Company is EPydatalli@dtos-mu.com.

5.10. The share capital of the Transferor Company as on March 31, 2017 is as under:

Particulars	Number of Shares	Amount (USD)
Ordinary Shares*	33,697,616	33,697,616

***Note:** Please note that the concept of authorized share capital for ordinary shares does not exist in Mauritius.

As on date, there have been no material changes in the above-mentioned capital structure of the Transferor Company

5.11. The Transferor Company is a private company limited by shares and is a wholly owned subsidiary of the Applicant Company. The Transferor Company is primarily engaged in the business of investment holding.

5.12. The details of Directors and promoters of the Transferor Company along with their addresses are mentioned herein below:

Sr. No.	Name of Director/ Promoter	Category	Address
1	Manish Choksi	Director	C-1801/1802, 18th Floor, Beaumonde, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025
2	RJ Jeyamurugan	Director	Madhuban, B - 402, Near Upvan Towers, Upper Govind Nagar, Malad (East), Mumbai - 400 097
3	Tom Thomas	Director	A 101, Vastu CHS, 49 Military Road, Juhu, Mumbai - 400 049
4	Jimmy Wong	Director	Morcellement Le Bout du Monde, Rue des Cactus, Ebene, Reduit, Mauritius
5	Kaajal Bissessur Maunthrooa	Director	Maunthrooa: 5 Barclay Street, Rose Hill, Mauritius
6	Asian Paints Limited	Promoter	6A, Shantinagar, Santacruz (East), Mumbai - 400 055

- 6.1. The shares of the Transferor Company are not listed on any Stock Exchange.
- 6.2. The amount due to unsecured creditors as on March 31, 2017 is USD 1,04,136
- 6.3. The Main Objects of the Transferor Company as set out in Clause 2 of the Memorandum of Association are as follows:

"2 GENERAL OBJECTS AND POWERS

2.1 The objects for which the Company is established are:

- a) To engage in the business as permitted under the Financial Services Act, 2007, the Act and any other laws for the time being in force in the Republic of Mauritius;*
- b) To borrow money and to mortgage or charge its undertakings and property or any part thereof, to issue debentures, debenture stocks and other securities whenever money is borrowed or as security for any debt, liability or obligation of the company; and*
- c) To do all such other things as are incidental to, or the Company may think conducive to the conduct, promotion or attainment of the objects of the Company."*

7. Rationale of the Scheme

- 7.1. The Scheme of Amalgamation envisages amalgamation of the Applicant Company and the Transferor Company and provides for the transfer of the entire business of the Transferor Company to, and vesting thereof in, the Applicant Company, as a "going concern", in accordance with the terms of the Scheme.
- 7.2. The management proposes to achieve the above pursuant to this Scheme under Sections 230 – 232 and 234 and other applicable provisions of the Companies Act, 2013 or any corresponding provisions of the Companies Act, 2013 (to the extent notified), in the manner set out herein.
- 7.3. The background, circumstances, rationale and benefits of the Scheme are
 - Rationalizing multiple foreign subsidiaries in the group to ensure optimized legal entity structure more aligned with the business by reducing the number of legal entities and reorganizing the legal entities in the group structure so as to obtain significant cost savings and/or simplification benefits;
 - Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Applicant Company;
 - Elimination of administrative functions and multiple record-keeping, thus resulting in reduced expenditure; and
 - The amalgamation pursuant to the Scheme will create a focused platform for future growth of the Applicant Company.

8. Relationship subsisting between the Applicant Company and the Transferor Company

The Transferor Company is a wholly owned subsidiary of the Applicant Company.

9. Salient Features of the Scheme

The material provisions of the proposed Scheme are detailed hereunder (the following points are reproduced as per the Scheme and are numbered according to the Scheme):

- "1.1 "Act" means the Companies Act, 2013 (to the extent of the sections thereof that have been brought into force) and the Companies Act, 1956 (to the extent of the sections thereof that have not been repealed)*

- 1.2. **“Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.3. **“Appointed Date”** means 1st January 2017 or such other date as may be approved by the High Court (as defined hereinafter) or such other competent authority as may be applicable.
- 1.4. **“Appropriate Authority”** means any governmental, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including SEBI, Stock Exchanges, Registrar of Companies, Company Law Board and courts of Mauritius and India in each case the High Court in relation to India and relevant competent authorities in relation to Mauritius.
- 1.5. **“Asian Paints Limited”** or **“Transferee Company”** means Asian Paints Limited, a company incorporated in India, under the Act having its registered office at 6A, Shantinagar, Santacruz (East), Mumbai, Maharashtra, India, 400055.
- 1.6. **“Asian Paints (International) Limited”** or **“Transferor Company”** means Asian Paints (International) Limited, a company incorporated in Mauritius and having its registered office at 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius
- 1.7. **“Board of Directors”** or **“Board”** “means the board of directors of the Transferor Company and/ or Transferee Companies, as the case may be and shall include a committee of the Board (if any) constituted for the implementation of this Scheme.
- 1.8. **“Effective Date”** means the date on which all the conditions and matters referred to in Clause 16 of the Scheme have been fulfilled.

Any references in this Scheme to “upon this Scheme becoming effective” or “upon coming into effect of this Scheme” or “upon the Scheme coming into effect” shall be construed to be a reference to the Effective Date.
- 1.9. **“High Court”** means the High Court of Judicature at Bombay, having jurisdiction in relation to the Transferee Company and shall include the National Company Law Tribunal, as applicable or such other forum or Appropriate Authority as may be vested with any of the powers of a High Court under the Act.
- 1.10. **“Listing Regulations”** means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines, etc., that may replace such regulations.
- 1.11. **“Mauritius Companies Act”** means the Companies Act, 2001 of Mauritius or any statutory modification or re-enactment thereof for the time being in force.
- 1.12. **“Relevant Jurisdiction”** means the territories of the Republic of India and Mauritius.
- 1.13. **“Scheme”** means this Scheme of Amalgamation in its present form submitted to the High Court or any other Appropriate Authority in the Relevant Jurisdictions with any modifications thereof as the High Court or any other Appropriate Authority may direct but subject to the requirements of any other Applicable Law or any Appropriate Authority.
- 1.14. **“SEBI Circular”** means Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, issued by SEBI, as amended or replaced from time to time.

- 1.15. **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.16. **“Stock Exchanges”** shall mean the BSE Limited and the National Stock Exchange of India Limited collectively.
- 1.17. All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.
- 1.18. Upon implementation of the provisions contained in the Companies Act, 2013, if the Scheme has been filed with the Courts and is pending disposal, the procedure to be followed from the date of such implementation would be as prescribed in the rules promulgated under the Companies Act, 2013 as may be applicable.
- 1.19. **Interpretation:**
- a) In this Scheme, reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (whether before or after the date of approval of this Scheme by the respective Boards of the Transferor Company and the Transferee Company) for the time being in force or to any provisions replacing such statutory provisions and to all statutory instruments or orders made pursuant to such statutory provisions.
 - b) Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

2. DATE OF TAKING EFFECT

- 2.1. The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or any other Appropriate Authority shall have legal effect and force from the Appointed Date but shall be effective from the Effective Date.

PART IV - AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

4. TRANSFER AND VESTING OF BUSINESS OF THE TRANSFEROR COMPANY

- 4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme:
- 4.1.1 The entire business of the Transferor Company as a going concern shall, under the provisions of Sections 391 to 394 and other applicable provisions of the Act and pursuant to the order(s) of the High Court sanctioning this Scheme and upon compliance with the process specified in Clause 8 hereof and without any further act or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the undertakings, estates, duties and obligations, properties and assets (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company) such as intellectual rights, licenses, permits, quotas, approvals, registrations, leases, permissions, investments, copyrights, patents, trademarks, trade names, contracts, agreements, consents, approvals or powers of every kind, nature and description whatsoever, of the Transferee Company.
 - 4.1.2 All statutory licences, permissions, approvals or consents, certificates, clearances, authorities (including for the operations of bank accounts), power of attorneys to carry on the operations of the Transferor Company shall stand transferred to and vested in the Transferee Company without any further act or deed

and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Transferor Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions or other licences and approvals or consents shall vest in and become available to the Transferee Company pursuant to this Scheme. In so far as any incentives, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company, as the case may be, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

- 4.2. All the assets acquired by or belonging to the Transferor Company and all the liabilities, if any, incurred by the Transferor Company after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in the Transferee company in the same manner as specified in Clause 4.1 upon coming into effect of the Scheme.*
- 4.3. All the existing securities, mortgages, charges, encumbrances or liens, if any, created by the Transferor Company after the Appointed Date but before the Effective Date, over the assets of the Transferor Company transferred to the Transferee company shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company.*
- 4.4. Any existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties of the Transferee Company and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.*
- 4.5. All taxes of any nature, duties, cess or any other like payments or deductions made by the Transferor company to any Appropriate Authorities, relating to the period after the Appointed Date and upto the Effective Date shall be deemed to have been on account of and on behalf of the Transferee Company and the relevant Appropriate Authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the coming into effect of this Scheme and upon relevant proof and documents being provided to the said Appropriate Authorities.*

5. APPLICABILITY OF THE PROVISIONS OF THE INCOME TAX ACT

- 5.1. This Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified 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 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, except to the extent required to give effect to the Scheme.*
- 5.2. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.*

6. CONSIDERATION

- 6.1. *The entire share capital of the Transferor Company is held by the Transferee Company. Hence, upon the Scheme becoming effective, all shares held by the Transferee Company in the share capital of the Transferor Company as on the Effective Date shall stand cancelled, without any further act or deed, upon this Scheme becoming effective. In lieu thereof, no allotment of any new shares or any payment shall be made to any person whatsoever. The said cancellation of existing share capital of the Transferor Company shall be effected as an integral part of this Scheme.*

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

- 7.1. *The Transferee Company shall account for the amalgamation in accordance with applicable Accounting Standard and generally accepted accounting principles adopted in India..*
- 7.2. *The Transferee Company, shall upon the Scheme coming into effect, record the assets and liabilities, if any, of the Transferor Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company.*
- 7.3. *The identity of the reserves of the Transferor Company shall be preserved and the Transferee Company shall record the reserves of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company.*
- 7.4. *Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled.*
- 7.5. *The value of investments held by the Transferee Company in the Transferor Company on the Appointed Date shall stand cancelled pursuant to merger.*
- 7.6. *The difference between the share capital as well as securities premium of the Transferor Company and the book value of the investments cancelled in terms of Clause 7.5 above shall be credited to capital reserve, in the books of the Transferee Company.*
- 7.7. *In case of any difference in accounting policy between Transferor Company and Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference till the appointed date shall be quantified and adjusted in the reserves to ensure that the financial statements of Transferor Company reflect the financial position on the basis of consistent accounting policy.*
- 7.8. *In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.*

8. PROCEDURE RELATING TO THE TRANSFEROR COMPANY UNDER THE LAWS OF MAURITIUS

- 8.1. *The Transferor Company is incorporated under the Mauritius Companies Act as a Category 1 Global Business Licenced company in Mauritius pursuant to the Financial Services Act, 2007 as amended and to be converted to a Category 2 Global Business Licenced company.*
- 8.2. *In terms of Mauritius law, a company holding a category 2 global business licence can merge with one or more companies incorporated under the laws of a jurisdiction other than that of Mauritius where the merger is permitted by the laws of such jurisdiction. Accordingly, the Transferor Company would be converted into a category 2 global business licence company.*

- 8.3. *The Board of Directors of the Transferor Company has passed a resolution on October 24, 2016 approving the Scheme.*
- 8.4. *In terms of paragraph 4 (2) (a) of part II of the fourteenth schedule to the Mauritius Companies Act, the Transferor Company is required to comply with the laws of Mauritius and the Transferee Company will have to comply with the laws of India regarding the amalgamation of the Transferor Company with the Transferee Company.*
- 8.5. *In terms of paragraph 4 (2) (b) of part II of the fourteenth schedule to the Mauritius Companies Act, the Transferee Company, being incorporated under the laws of a jurisdiction other than that of Mauritius, must submit the following to the Registrar of Companies in Mauritius ("RoC Mauritius") in relation to the merger of the Transferor Company with the Transferee Company:*
- a) An agreement that a service of process may be effected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Companies Act against the surviving company (being the Transferee Company) or the Consolidated Company.*
 - b) An irrevocable appointment of the registrar of the Transferor Company as its agent to accept service of process in proceedings referred to in sub clause (a) above;*
 - c) An agreement that the Transferee Company shall promptly pay to the dissenting members, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the amount, if any, to which they are entitled under the Mauritius Companies Act, with respect to the rights of dissenting members. There is no dissenting member since the Scheme has been approved by the sole shareholder of the Transferor Company and therefore this provision does not apply; and*
 - d) A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (i.e. order passed by the High Court approving the Scheme) where it is incorporated.*
- 8.6. *Based on the above and given that there is no dissenting member of any constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the Transferee Company will confirm in writing to the RoC Mauritius that (a) there is no such dissenting member and (b) the Transferee Company shall irrevocably appoint the administrator of the Transferor Company, DTOS Ltd., on behalf of the Transferee Company to accept service of process in respect of proceedings for enforcement of any claim, debt, liability or obligation of the Transferor Company, if any.*
- 8.7. *In terms of paragraph 4 (3) of part II of the fourteenth schedule to the Mauritius Companies Act, where the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be the same as in the case of a merger under part XVI of the Mauritius Companies Act except in so far as the laws of the other jurisdiction, i.e. the laws of India, otherwise provide.*
- 8.8. *In terms of paragraph 4(4) of part II of the fourteenth schedule to the Mauritius Companies Act, since the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction, i.e., the laws of India.*
- 8.9. *The Transferor Company shall be required to file certain documents including those set out in paragraph 4(2) (b) of part II of the fourteenth schedule to the Mauritius Companies Act with the RoC Mauritius along with this Scheme and the corporate resolution of the Transferee Company or relevant extract thereof and the Transferor Company will be struck off the register maintained by the RoC Mauritius effective the date of the merger under the laws of India without the need for winding up.*

- 8.10. *On the Scheme becoming effective, the Transferor Company will be struck off the register maintained by the RoC Mauritius and shall stand dissolved without any further act or deed or without being wound-up.*

PART V - GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

- 9.1. *The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all the assets and liabilities, if any of the Transferor Company on account of and in trust for the Transferee Company;*
- 9.2. *All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be of the Transferee Company;*
- 9.3. *Any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and in trust for and as agents of the Transferee Company. Similarly, any obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and*
- 9.4. *The Transferor Company shall not delineate, charge, mortgage, encumber or otherwise deal with its assets or any part thereof without prior written consent of the Transferee Company.*

10. EMPLOYEES

- 10.1. *Upon the coming into effect of this Scheme, all employees, if any, of Transferor Company as on the Effective Date shall become the employees of the Transferee Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the amalgamation of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company and such benefits to which the employees are entitled in the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.*
- 10.2. *The Boards of Directors of each of the Transferor Company and the Transferee Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the permissions of this Clause.*

11. LEGAL PROCEEDINGS

- 11.1. *All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date, as and from the Effective Date, shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as the case may be.*
- 11.2. *After the Appointed Date, if any proceedings are taken against the Transferor Company in respect of the matters referred to in the sub-clause 11.1 above, the Transferor Company shall defend the same at the cost of the Transferee Company and the Transferee Company shall reimburse and indemnify the Transferor Company, including its directors, officers and administrative agent, against all liabilities and obligations incurred by the Transferor Company in respect thereof.*

- 11.3. *The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause 11.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company.*

12. **CONTRACTS, DEEDS, ETC.**

- 12.1. *Upon this Scheme becoming effective, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and to which the Transferor Company is a party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be and may be enforced by or against the Transferee Company as fully and effectually as if instead of the Transferor Company, the Transferee Company had been a party thereto from inception. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme. After the Effective Date, the Transferee Company shall be deemed to be authorised to execute any deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.*
- 12.2 *It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the order of the High Court sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company under any contractual arrangements shall automatically stand transferred to and vested in and/ or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/ or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and stead of the Transferor Company, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.*
- 12.3 *Without prejudice to the above, the Transferee Company shall, if so desirable or required or become necessary, upon the coming into effect of this Scheme and with effect from the Appointed Date, enter into and/or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme and to the extent that the Transferor Company are required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company, as the case may be. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.*
- 12.4 *Without prejudice to the above, it is further clarified that with respect to approvals, permissions, licenses, registrations, consents that may require amendment for the purpose of giving effect to this Scheme and to ensure that there is no change in the entitlements otherwise available to the Transferor Company in the absence of this Scheme, the Transferee Company shall be permitted to use the name and approvals, permissions, licenses, registrations, consents of the Transferor Company till such approvals, permissions, licenses, registrations, consents are so amended and updated, so as to enable the Transferee Company to continue to avail the entitlements otherwise available to the Transferor Company.*

13. SAVING OF CONCLUDED TRANSACTIONS & PROCEEDINGS

- 13.1. *The transfer and vesting of the Transferor Company under Clause 4 and the continuance of proceedings by or against the Transferee Company under Clause 11 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.*

14. APPLICATION TO HIGH COURT

- 14.1. *The Transferee Company shall make applications/petitions under Sections 391 to 394 and other applicable provisions of the Act to the High Court seeking orders for dispensing with or convening, holding and conducting the meetings of members and creditors and for an order sanctioning this Scheme of the Transferor Company with the Transferee Company and its shareholders and creditors.*
- 14.2. *The Transferor Company shall initiate and pursue all actions necessary under the local laws of their jurisdiction (i.e., Mauritius). The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for their continuing as one company with the Transferee Company and apply for and obtain such other approvals, if any, required under the Applicable Laws.*

15. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 15.1. *Subject to requisite approvals of the High Court and/ or the Appropriate Authorities (if applicable), the Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may consent to any modifications/amendments to the Scheme or to any conditions or limitations that the High Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the High Courts or such other Appropriate Authorities (if applicable), whether in pursuance of a change in law or otherwise. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.*
- 15.2. *For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferor Company and/or the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.*

16. CONDITIONALITY

- 16.1. *This Scheme is conditional upon and subject to:*
- 16.1.1 *the requisite sanction or approval of the Appropriate Authorities from India and Mauritius being obtained and/or granted in relation to any of the matters in respect of which such sanction or approval is required.*
- 16.1.2 *the approval by the requisite majority of the shareholders and/or creditors (as may be required and/or to the extent not dispensed with by the Appropriate Authorities) of the Mauritius Transferor Company and the requisite majority in number and value of the shareholders and/or creditors (as may be required and/or to the extent not dispensed with by the Appropriate Authorities) of the Transferee Company, as required under Applicable Law.*

- 16.1.3 *the Stock Exchanges issuing their observation/ no-objection letters and SEBI issuing its comments on the Scheme, to the Transferee Company including comments/ approval after sanction of the Scheme by the High Court, as required under regulation 37 of the Listing Regulations and the SEBI Circular. It is being clarified that the approval from the public shareholders of the Transferor Company through postal ballot and e-voting is exempt and is not required pursuant to the non-applicability of the requirements under Paragraph I (A) (9) (a) of Annexure I of the SEBI Circular.*
- 16.1.4 *the Scheme being sanctioned by the High Court in terms of Sections 391 to 394 and/or all other relevant provisions of the Act.*
- 16.1.5 *compliance by the Transferor Company of all the necessary and applicable provisions of its Applicable Law (including without limitation, all necessary filings to be made under Applicable Laws of Mauritius).*
- 16.1.6 *the Transferee Company entering into agreements under section 4 (2) (b) of part II of the fourteenth schedule to the Mauritius Companies Act and appointing DTOS Ltd.* as its agent to accept service of process, and the RoC Mauritius accepting the order passed by the High Court as sufficient evidence of the Scheme being sanctioned and consequently striking off the Transferor Company, in its records. [*amended as per resolution dated 10 February 2017 passed by the Scheme Implementation Committee constituted by the Board of Directors of the Transferee Company vide resolution dated 25 October 2016]*
- 16.2. *This Scheme, although to come into operation from the Appointed Date, shall not become effective until the last of the following dates, namely:*
- 16.2.1 *That on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 16.1 shall be obtained or passed; or*
- 16.2.2 *That on which all necessary certified/ authenticated copies of orders under Sections 391 and 394 of the Act shall be duly filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferee Company.*
- 16.3. *The last of such dates shall be the "Effective Date" for the purpose of this Scheme.*

17. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company will be struck off the register maintained by the RoC Mauritius and shall stand dissolved without any further act or deed or without being wound-up.

18. EFFECT OF NON-RECEIPT OF APPROVALS

- 18.1. *In the event of any of the said approvals or conditions referred to in Clause 16 above not being obtained and/ or complied with and/or satisfied and/or the Scheme not being sanctioned by the High Court and/or order or orders not being passed as aforesaid before 31st March, 2018 or such other date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect, unless otherwise specifically decided by the Transferor Company and the Transferee Company. The Transferor Company and the Transferee Company shall, in such event, inter se bear and pay their respective costs, charges, expenses in connection with the Scheme.*
- 18.2. *In the event of revocation under Sub-Clause 18.1, no rights and liabilities whatsoever shall accrue to or be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto*

and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

- 18.3. *The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.*
- 18.4. *The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post-amalgamation.*
- 18.5. *If any part of this Scheme hereof is invalid, ruled illegal by any High Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Company and /or the Transferee Company, then in such case the Transferor Company and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part.*
- 19.1. *All costs, charges, taxes and expenses including stamp duty and registration fee of any deed, document, instrument or High Court's order including this Scheme, duties, levies and all other expenses, if any, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company."*

Note: The features set out above being only the extract of the Scheme. The shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

10. The directors holding shares in the Applicant Company do not have any other interest in the Scheme otherwise than that as shareholders in general. Further, none of the managers, key managerial personnel and relatives of the directors of the Applicant Company is concerned or interested, financial or otherwise in the proposed Scheme. Save as aforesaid, none of the Directors of the Applicant Company have any material interest in the proposed Scheme. The shareholding of the present directors of the Applicant Company, and the Transferor Company, either individually or jointly as a first holder or as a nominee, in the Applicant Company and the Transferor Company as on June 30, 2017 is as under:

Sr. No.	Name of the Directors of the Applicant Company	No. of Equity Shares held in	
		Applicant Company	Transferor Company
1.	Shri Ashwin Choksi	7,85,700	Nil
2.	Shri Ashwin Dani	20,84,870	Nil
3.	Shri Abhay Vakil	2,84,68,310	Nil
4.	Shri K.B.S. Anand	270	Nil
5.	Shri Mahendra Choksi	21,96,180	Nil
6.	Shri Malav Dani	33,05,510	Nil
7.	Ms. Amrita Vakil	25,66,680	Nil
8.	Shri Deepak Satwalekar	Nil	Nil
9.	Dr. S. Sivaram	Nil	Nil
10.	Shri Mahendra Shah	Nil	Nil

Sr. No.	Name of the Directors of the Applicant Company	No. of Equity Shares held in	
		Applicant Company	Transferor Company
11.	Shri S. Ramadorai	Nil	Nil
12.	Shri M.K. Sharma	Nil	Nil
13.	Mrs. Vibha Paul Rishi	Nil	Nil
14.	Shri R Seshasayee	1,496	Nil

Sr. No.	Name of the Directors of the Transferor Company	No. of Equity Shares held in	
		Applicant Company	Transferor Company
1.	Manish Choksi	2381040	Nil
2.	RJ Jeyamurugan	Nil	Nil
3.	Tom Thomas	Nil	Nil
4.	Jimmy Wong	Nil	Nil
5.	Kaajal Bissessur Maunthrooa	Nil	Nil

11. **Fairness Opinion and Approvals:**

- 11.1. BSR & Co. LLP, Chartered Accountants (upto June 27, 2017) and Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors of the Applicant Company have issued a certificate dated October 20, 2016 stating that since there is no change in shareholding pattern of the Applicant Company pursuant to the Scheme, no valuation process is applicable to the proposed Scheme. A copy of the said certificate is attached herewith as **Annexure C**.
- 11.2. A certificate from the Statutory Auditors i.e. BSR & Co. LLP, Chartered Accountants (upto June 27, 2017) and Deloitte Haskins & Sells LLP, Chartered Accountants, dated October 20, 2016 stating that the accounting treatment proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013. A copy of the said certificate is attached herewith as **Annexure D**.
- 11.3. In terms of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, Ernst & Young Merchant Banking Services Pvt. Ltd., a SEBI registered Merchant Banker, has submitted to the Applicant Company, a fairness opinion, stating that the certificate referred above from the auditors is fair and reasonable, vide its letter dated October 24, 2016. A copy of the said certificate is attached herewith as **Annexure E**.
- 11.4. The Audit Committee of the Applicant Company has at its meeting held on October 24, 2016 reviewed and recommended the Scheme for consideration by the Board of Directors of the Applicant Company. The Board of Directors of the Applicant Company at its Board meeting held on October 25, 2016 and also the Board of Directors of the Transferor Company, at its Board meeting held on October 24, 2016 have unanimously approved the Scheme.
- 11.5. Additionally, the Applicant Company, in its capacity as the sole equity shareholder of the Transferor Company, has approved the Scheme vide a resolution dated October 24, 2016 passed at a meeting of the shareholders of the Transferor Company.
- 11.6. By the resolution passed at the meeting of the Board of Directors of the Applicant Company held on October 25, 2016, the Board of Directors of the Applicant Company has authorised certain officers of the Applicant Company to form a Scheme Implementation Committee and the Scheme Implementation

Committee has been severally authorized to inter alia make and agree to such modifications or alterations or amendments to the draft Scheme which do not amount to a material change to the substance of the Scheme. The Authorised Scheme Implementation Committee considered and discussed the draft Scheme, as approved by the Board of Directors on October 25, 2016 and noted that whilst the Applicant Company has appointed "DTOS Ltd." as the administrator (process agent) (as appearing in Clause 8.6 of the Scheme), Clause 16.1.6 inadvertently refers to "International Financial Services Limited" as the agent of the Applicant Company to accept service of process, instead of DTOS Ltd. To that extent, the Scheme Implementation Committee vide its resolution dated February 10, 2017 rectified the said error by making the following non-material change to the draft Scheme:

Deletion the words "International Financial Services Limited" as appearing in the Clause 16.1.6 of the draft Scheme and replacement of the same with the words "DTOS Ltd."

- 11.7. The Scheme is conditional and subject to necessary sanctions and approvals as set out in the Scheme.
- 11.8. Pursuant to the Securities Exchange Board of India ("SEBI") circular CIR/CFD/CMD/16/2015 dated November 30, 2015 (the "SEBI Circular") read with Regulation 37 of the SEBI LODR Regulations, the Applicant Company had applied to the BSE and NSE for their "observation letter" to file the Scheme for sanction. BSE and NSE by their respective letters both dated December 23, 2016 have given their "observation letter" to file the Scheme. Copies of the aforesaid letters received from BSE and NSE are attached herewith as **Annexure F & G**.
- 11.9. The Scheme along with related documents was hosted on the website of the Applicant Company, BSE and NSE and was open for complaints/comments. The Applicant Company has not received any complaint/comment and accordingly a Nil Complaint report was filed with the BSE and NSE on December 8, 2016. A copy of the said Complaints report is enclosed herewith as **Annexure H**. Further, as on the date of filing the Company Scheme Application, the Applicant Company has not received any complaints.
- 11.10. The Reserve Bank of India ('RBI') by its letter dated June 12, 2017 has granted its no-objection from Foreign Exchange Management Act, 1999 angle to the Scheme, subject to the conditions as set out therein. A copy of the RBI no-objection letter is enclosed herewith as **Annexure I**.
12. The Applicant Company will make a Petition under Sections 230-232 and 234 read with other relevant provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the NCLT Bench, at Mumbai for sanctioning of the Scheme.
13. No investigation proceedings are pending under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956 in respect of the Applicant Company.
14. A copy of the Scheme has been filed by the Applicant Company with the Registrar of Companies, Maharashtra on July 10, 2017.
15. No winding up petition is pending against the Applicant Company.
16. The Scheme does not involve any capital or debt restructuring and therefore the requirement to disclose details of capital or debt restructuring is not applicable.
17. In the event that this Scheme is terminated or withdrawn in the manner set out herein, this Scheme shall stand revoked, cancelled and be of no effect and null and void and in such event each party hereto shall bear and pay respective costs, charges and expenses for and or in connection with the Scheme.
18. In compliance with the provisions of Section 232(2) of the Companies Act, 2013, the Board of Directors of the Applicant Company, at their meeting held on July 25, 2017, have adopted a report, *inter alia*, explaining the effect

of the Scheme on each class of shareholders (promoter and non-promoter shareholders) and key managerial personnel. A copy of the report adopted by the Board of Directors of the Applicant Company is enclosed as **Annexure J** to this explanatory statement.

19. The Scheme does not affect the rights and interests of the members or creditors of the Applicant Company and does not involve a re-organisation of share capital of the Applicant Company. Pursuant to the Scheme, all assets and liabilities of the Transferor Company, which is a 100% subsidiary of the Applicant Company in any event, would be transferred to the Applicant Company. As on date, the assets of the Applicant Company exceed its liabilities and would be sufficient to discharge the said liabilities in future. The assets and liabilities of the Transferor Company will be appropriated under the Scheme by the Applicant Company and the shareholding and other rights of the members of the Applicant Company will remain unaffected as no new shares are being issued and there is no change in the capital structure.
20. The Transferor Company has a positive net worth and the appropriation of all the assets and liabilities of the Transferor Company under the Scheme, by the Applicant Company, will not affect or adversely impact the rights of the creditors of the Applicant Company in view of the strength of the financial position of the Applicant Company as well as the Transferor Company and the aggregate assets of the Applicant Company and the Transferor Company are in excess of, and are more than sufficient to meet all its respective external liabilities. Pursuant to the proposed amalgamation of the Transferor Company with the Applicant Company, the debt repayment capacity of the Applicant Company will not be adversely affected. As far as the rights of the Unsecured Creditors of the Applicant Company are concerned, they will not be affected adversely by the proposed Scheme as the assets of the Applicant Company post arrangement are substantially in excess of the corresponding liabilities.
21. As far as the equity shareholders are concerned (promoter shareholders as well as non-promoter shareholders), there will be no dilution in their shareholding in the Applicant Company. The Scheme is not expected to have any adverse effect on the key managerial personnel, directors, creditors, and employees of Applicant Company, wherever relevant. Further, no change in the Board of Directors of the Applicant Company is envisaged on account of the Scheme.
22. Pursuant to SEBI Circular and the SEBI LODR Regulations, the detailed pre scheme and post scheme (expected) capital structure and shareholding pattern of the Applicant Company is given herein below:

A. Pre & Post Scheme Capital Structure as on June 30, 2017:

Asian Paints Limited

As there is no issue of shares pursuant to the Scheme, the Pre and Post amalgamation Scheme Capital Structure of the Applicant Company would remain unchanged.

Particulars	Amount (₹ in Crores)
Authorized Capital	
99,50,00,000 Equity Shares of ₹ 1 each	99.50
50,000 11% redeemable cumulative preference shares of ₹ 100 each	0.50
Total	100.00
Issued, Subscribed and Paid Up Capital	
95,91,97,790 Equity Shares of ₹ 1 each fully paid	95.92
Total	95.92

Asian Paints (International) Limited

The Transferor Company is a wholly owned subsidiary of the Applicant Company. The Scheme contemplates the transfer of the entire business of the Transferor Company to, and vesting thereof in, the Applicant Company, as a “going concern.” Pursuant to the Scheme all the shares held by the Applicant Company in the Transferor Company will stand cancelled. The Pre amalgamation Capital Structure of the the Transferor Company would be as under.

Particulars	Number of Shares	Amount (USD)
Ordinary Shares*	33,697,616	33,697,616

***Note:** Please note that the concept of authorized share capital for ordinary shares does not exist in Mauritius.

B. **Pre & Post Scheme Shareholding Pattern as on June 30, 2017:**

As there is no issue of shares pursuant to the Scheme, the Pre and Post Scheme Shareholding Pattern of Asian Paints Limited would remain unchanged

Asian Paints Limited

Category Code	Category of Shareholder(s)	Pre-Scheme		Post-Scheme	
		Total No. of Shares	As a percentage of total capital	Total No. of Shares	As a percentage of total capital
(A)					
(1)	Indian				
(a)	Individuals/Hindu Undivided Family	10,22,08,177	10.65	10,22,08,177	10.65
(b)	Central Government/State Government(s)	-	-	-	-
(c)	Bodies Corporate	40,39,22,685	42.11	40,39,22,685	42.11
(d)	Financial Institutions/Banks	-	-	-	-
(e)	Any Other (specify)	-	-	-	-
	i) Trust	2,53,620	0.03	2,53,620	0.03
	Sub-Total (A)(1)	50,63,84,482	52.79	50,63,84,482	52.79
(2)	Foreign				
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-
(b)	Bodies Corporate	-	-	-	-
(c)	Institutions	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-
(e)	Any Other (specify)	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	50,63,84,482	52.79	50,63,84,482	52.79

Category Code	Category of Shareholder(s)	Pre-Scheme		Post-Scheme	
		Total No. of Shares	As a percentage of total capital	Total No. of Shares	As a percentage of total capital
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds/UTI	1,98,61,416	2.07	1,98,61,416	2.07
(b)	Financial Institutions/Banks	10,44,778	0.11	10,44,778	0.11
(c)	Central Government/State Government(s)	10,60,681	0.11	10,60,681	0.11
(d)	Venture Capital Funds	-	-	-	-
(e)	Insurance Companies	5,96,99,227	6.22	5,96,99,227	6.22
(f)	Foreign Institutional Investors	60,44,492	0.64	60,44,492	0.64
(g)	Foreign Venture Capital Investors	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-
(i)	Any Other (specify)				
I	Foreign Portfolio Investors - Corp	16,14,63,653	16.83	16,14,63,653	16.83
II	Alternate Investment Funds	90,000	0.01	90,000	0.01
	Sub-Total (B)(1)	24,92,64,247	25.99	24,92,64,247	25.99
(2)	Non-Institutions				
(a)	Bodies Corporate	6,35,38,435	6.62	6,35,38,435	6.62
(b)	Individuals				
I	Individual shareholders holding nominal share capital up to ₹ 1 lakh	11,33,23,949	11.82	11,33,23,949	11.82
II	Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	93,00,456	0.97	93,00,456	0.97
(c)	Qualified Foreign Investor	-	-	-	-
(d)	Any Other (specify)				
I	Overseas Corporate Bodies	-	-	-	-
II	Trust	37,99,420	0.40	37,99,420	0.40
III	Clearing Member/House	8,96,445	0.09	8,96,445	0.09
IV	Non Resident Indians	1,26,90,356	1.32	1,26,90,356	1.32
	Sub-Total (B)(2)	20,35,49,061	21.22	20,35,49,061	21.22
	Total Public Shareholding (B) = (B)(1) + (B)(2)	45,28,13,308	47.21	45,28,13,308	47.21
	TOTAL (A)+(B)	95,91,97,790	100.00	95,91,97,790	100.00

ASIAN PAINTS (INTERNATIONAL) LIMITED

The Transferor Company is a wholly owned subsidiary of the Applicant Company. The Scheme contemplates the transfer of the entire business of the Transferor Company to, and vesting thereof in, the Applicant Company, as a “going concern.” Pursuant to the Scheme all the shares held by the Applicant Company in the Transferor Company will stand cancelled. The Pre amalgamation shareholding pattern of the Transferor Company is as under:

Particulars	Number of Shares	Amount (USD)
Ordinary Shares of USD 1 each held by Asian Paints Limited	33,697,616	33,697,616

1. The following documents shall be available for obtaining extract from or for making or obtaining copies of or for inspection by the shareholders of the Company at the Registered Office of the Applicant Company between 10.00 a.m. and 12 noon up to Wednesday, September 13, 2017 on all working days (except Saturdays, Sundays and public holidays):
 - 1.1. Copy of the Order of the NCLT, Bench, at Mumbai dated Thursday, July 27, 2017 passed in Company Scheme Application No. 713 of 2017 directing convening of the Meeting of Equity Shareholders of the Applicant Company.
 - 1.2. Memorandum of Association and Article of Association of the Applicant Company and the Transferor Company.
 - 1.3. Audited Consolidated Financial Statement of the Applicant Company and the Transferor Company for last three financial years ended March 31, 2017, March 31, 2016 and March 31, 2015.
 - 1.4. Copy of the Scheme of Amalgamation of the Transferor Company with the Applicant Company.
 - 1.5. “Observation Letter” received from BSE and NSE both dated December 23, 2016.
 - 1.6. Certificate from the Statutory Auditors i.e. BSR & Co. LLP (upto June 27, 2017) and Deloitte Haskins & Sells LLP dated October 20, 2016 stating that since there is no change in the shareholding pattern of the Applicant Company pursuant to the Scheme, no valuation process is applicable to the Scheme.
 - 1.7. Fairness Opinion dated October 24, 2016 of Ernst & Young Merchant Banking Services Pvt. Ltd., a Category-I Merchant Banker, certifying that the Auditor’s Certificate is fair and reasonable.
 - 1.8. Copy of the Company Scheme Application No. 713 of 2017 and Affidavit in Support thereof.
 - 1.9. Copies of the resolution passed by the respective Board of Directors of the Applicant Company and the Transferor Company approving the Scheme.
 - 1.10. Letter dated June 12, 2017 received from the Reserve Bank of India conveying its “No-objection” from Foreign Exchange Management Act, 1999 (“FEMA”) angle to the Transferee Company.

- 1.11. Report adopted by the Board of Directors of the Applicant Company as required under Section 232(2) of the Companies Act, 2013.
 - 1.12. Complaints report dated December 8, 2016 submitted by the Applicant Company to BSE and NSE and also uploaded on its website.
 - 1.13. Certificate dated October 20, 2016 from the Statutory Auditors of the Applicant Company i.e. BSR & Co. LLP (upto June 27, 2017) and Deloitte Haskins & Sells LLP to the effect that the accounting treatment, if any, proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
 - 1.14. Contracts or agreements material to the amalgamation.
2. This statement may be treated as an Explanatory Statement under Section 230–232 and Section 234 of the Companies Act, 2013 read with Sections 102 and 110 of the Companies Act, 2013.

Sd/-
Ashwin Choksi
DIN : 00009095
Chairman Appointed for the Meeting

Date : August 9, 2017
Place : Mumbai

SCHEME OF AMALGAMATION

**UNDER SECTIONS 391 and 394 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013 (TO THE EXTENT NOTIFIED)
OF**

ASIAN PAINTS (INTERNATIONAL) LIMITED

WITH

ASIAN PAINTS LIMITED

PREAMBLE

This Scheme of Amalgamation ("**Scheme**") (more particularly described hereinafter) pursuant to Sections 391 to 394 and other applicable provisions of the Act (more particularly described hereinafter) provides for the amalgamation of Asian Paints (International) Limited (more particularly described hereinafter), a Mauritius Company with Asian Paints Limited (more particularly described hereinafter), a public listed Indian Company in accordance with the Applicable Laws (as defined hereinafter) in the Republic of India and Mauritius.

PART I - DESCRIPTION OF COMPANIES

- A. Asian Paints (International) Limited ("**Transferor Company**"), is a private company limited by shares incorporated on September 3, 1999 under the provisions of the Mauritius Companies Act and having its registered office at. 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius.
- B. The Transferor Company is a wholly owned subsidiary of the Transferee Company and is currently engaged in the business of investment holding.
- C. Asian Paints Limited ("**Transferee Company**") is a company incorporated on October 24, 1945 under the provisions of the Indian Companies Act, 1913 and having its registered office at 6A Shantinagar, Santacruz (East), Mumbai, Maharashtra, India, 400055.
- D. The Transferee Company is a public listed company and its shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) (together referred to as the "**Stock Exchanges**"). The Transferee Company is engaged in the business of manufacturing (i) paints, varnishes, enamels or lacquers (ii) surfacing preparations; organic composite solvents and thinners, and other related products (iii) organic and inorganic compounds, etc. (iv) home improvement products such as bath, sinks, washbasins and similar articles.

PART II - RATIONALE OF THE SCHEME OF AMALGAMATION

The key objectives of the amalgamation are as follows:

- A. Rationalizing multiple foreign subsidiaries in the group to ensure optimized legal entity structure more aligned with the business by reducing the number of legal entities and reorganizing the legal entities in the group structure so as to obtain significant cost savings and/or simplification benefits;
 - B. Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Transferee Company;
 - C. Elimination of administrative functions and multiple record-keeping, thus resulting in reduced expenditure; and
 - D. The amalgamation pursuant to this Scheme will create a focused platform for future growth of the Transferee Company.
 - E. This Scheme is presented under Sections 391 to 394 and other applicable provisions of the Act and Applicable Laws in Mauritius, for amalgamation of the Transferor Company with the Transferee Company.
 - F. Accordingly, this Scheme provides for the amalgamation of the Transferor Company with the Transferee Company.
- E. The Scheme is divided into the following parts:
- (i) Part I - Description of the companies;
 - (ii) Part II - Rationale of the Scheme;
 - (iii) Part III - Definitions;
 - (iv) Part IV - Amalgamation of the Transferor Company with the Transferee Company;
 - (v) Part V- General Terms & conditions applicable to the Scheme.

PART III – DEFINITIONS

1. DEFINITIONS AND INTERPRETATION

In this Scheme unless the meaning or context otherwise requires (i) terms defined in the introductory paragraphs above shall have the same meanings throughout this Scheme; and (ii) the following words or expressions, wherever used, (including in the introductory paragraphs above) shall have the following meanings:

- 1.1. **“Act”** means the Companies Act, 2013 (to the extent of the sections thereof that have been brought into force) and the Companies Act, 1956 (to the extent of the sections thereof that have not been repealed)
- 1.2. **“Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.3. **“Appointed Date”** means 1st January 2017 or such other date as may be approved by the High Court (as defined hereinafter) or such other competent authority as may be applicable.
- 1.4. **“Appropriate Authority”** means any governmental, statutory, regulatory, departmental or public body or authority of the Relevant Jurisdiction, including SEBI, Stock Exchanges, Registrar of companies, Company Law Board and courts of Mauritius and India in each case the High Court in relation to India and relevant competent authorities in relation to Mauritius.
- 1.5. **“Asian Paints Limited” or “Transferee Company”** means Asian Paints Limited , a company incorporated in India, under the Act having its registered office at 6A, Shantinagar, Santacruz (East), Mumbai, Maharashtra, India, 400055.
- 1.6. **“Asian Paints (International) Limited” or “Transferor Company”** means Asian Paints (International) Limited , a company incorporated in Mauritius and having its registered office at 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius
- 1.7. **“Board of Directors” or “Board”** “means the board of directors of the Transferor Company and/ or Transferee Companies, as the case may be and shall include a committee of the Board (if any) constituted for the implementation of this Scheme.
- 1.8. **“Effective Date”** means the date on which all the conditions and matters referred to in Clause 16 of the Scheme have been fulfilled.

Any references in this Scheme to **“upon this Scheme becoming effective”** or **“upon coming into effect of this Scheme”** or **“upon the Scheme coming into effect”** shall be construed to be a reference to the Effective Date.

- 1.9. **“High Court”** means the High Court of Judicature at Bombay, having jurisdiction in relation to the Transferee Company and shall include the National Company Law Tribunal, as applicable or such other forum or Appropriate Authority as may be vested with any of the powers of a High Court under the Act.

- 1.10. **“Listing Regulations”** means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines, etc., that may replace such regulations.
- 1.11. **“Mauritius Companies Act”** means the Companies Act, 2001 of Mauritius or any statutory modification or re-enactment thereof for the time being in force.
- 1.12. **“Relevant Jurisdiction”** means the territories of the Republic of India and Mauritius.
- 1.13. **“Scheme”** means this Scheme of Amalgamation in its present form submitted to the High Court or any other Appropriate Authority in the Relevant Jurisdictions with any modifications thereof as the High Court or any other Appropriate Authority may direct but subject to the requirements of any other Applicable Law or any Appropriate Authority.
- 1.14. **“SEBI Circular”** means Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, issued by SEBI, as amended or replaced from time to time.
- 1.15. **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.16. **“Stock Exchanges”** shall mean the BSE Limited and the National Stock Exchange of India Limited collectively.
- 1.17. All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force.
- 1.18. Upon implementation of the provisions contained in the Companies Act, 2013, if the Scheme has been filed with the Courts and is pending disposal, the procedure to be followed from the date of such implementation would be as prescribed in the rules promulgated under the Companies Act, 2013 as may be applicable.
- 1.19. **Interpretation:**
- a) In this Scheme, reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (whether before or after the date of approval of this Scheme by the respective Boards of the Transferor Company and the Transferee Company) for the time being in force or to any provisions replacing such statutory provisions and to all statutory instruments or orders made pursuant to such statutory provisions.
 - b) Words denoting the singular shall include the plural and words denoting any gender shall include all genders.

2. DATE OF TAKING EFFECT

- 2.1. The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court or any other Appropriate Authority shall have legal effect and force from the Appointed Date but shall be effective from the Effective Date.

3. SHARE CAPITAL

- 3.1. The share capital structure of the Transferee Company as on September 30, 2016 is as under:

Particulars	Amount Rupees in Crores
Authorized Share Capital	
99,50,00,000 Equity Shares of Rs.1 each	99.50
50,000 11% Redeemable Cumulative Preference shares of Rs.100 each	0.50
Issued Share Capital	
95,91,97,790 Equity Shares of Rs. 1 each fully paid	95.92

Subscribed Share Capital	
95,91,97,790 Equity Shares of Rs. 1 each fully paid	95.92
	95.92

- 3.2. Subsequent to September 30, 2016, and up to the date of approval of this Scheme by the Board of the Transferee Company, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company.
- 3.3. The share capital structure of the Transferor Company as on September 30, 2016 is as under:

Particulars	Number of shares	Amount in USD
Ordinary shares of USD 1 each	33,697,616	33,697,616

Subsequent to September 30, 2016, and up to the date of approval of this Scheme by the Board of the Transferor Company, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company.

PART IV - AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFeree COMPANY

4. TRANSFER AND VESTING OF BUSINESS OF THE TRANSFEROR COMPANY

4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme:

4.1.1 The entire business of the Transferor Company as a going concern shall, under the provisions of Sections 391 to 394 and other applicable provisions of the Act and pursuant to the order(s) of the High Court sanctioning this Scheme and upon compliance with the process specified in Clause 8 hereof and without any further act or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the undertakings, estates, duties and obligations, properties and assets (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and/or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company) such as intellectual rights, licenses, permits, quotas, approvals, registrations, leases, permissions, investments, copyrights, patents, trademarks, trade names, contracts, agreements, consents, approvals or powers of every kind, nature and description whatsoever, of the Transferee Company.

4.1.2 All statutory licences, permissions, approvals or consents, certificates, clearances, authorities (including for the operations of bank accounts), power of attorneys to carry on the operations of the Transferor Company shall stand transferred to and vested in the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Transferor Company pursuant to this Scheme. The benefit of all statutory and regulatory permissions or other licences and approvals or consents shall vest in and become available to the Transferee Company pursuant to this Scheme. In so far as any incentives, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company, as the case may be, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

4.2 All the assets acquired by or belonging to the Transferor Company and all the liabilities, if any, incurred by the Transferor Company after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in the Transferee company in the same manner as specified in Clause 4.1 upon coming into effect of the Scheme.

4.3 All the existing securities, mortgages, charges, encumbrances or liens, if any, created by the Transferor Company after the Appointed Date but before the Effective Date, over the assets of the Transferor Company transferred to the Transferee company shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend to any of the other assets of the Transferee Company.

- 4.4 Any existing encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties of the Transferee Company and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- 4.5 All taxes of any nature, duties, cess or any other like payments or deductions made by the Transferor company to any Appropriate Authorities, relating to the period after the Appointed Date and upto the Effective Date shall be deemed to have been on account of and on behalf of the Transferee Company and the relevant Appropriate Authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the coming into effect of this Scheme and upon relevant proof and documents being provided to the said Appropriate Authorities.

5. APPLICABILITY OF THE PROVISIONS OF THE INCOME TAX ACT

- 5.1 This Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified 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 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, except to the extent required to give effect to the Scheme.
- 5.2 Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

6. CONSIDERATION

- 6.1 The entire share capital of the Transferor Company is held by the Transferee Company. Hence, upon the Scheme becoming effective, all shares held by the Transferee Company in the share capital of the Transferor Company as on the Effective Date shall stand cancelled, without any further act or deed, upon this Scheme becoming effective. In lieu thereof, no allotment of any new shares or any payment shall be made to any person whatsoever. The said cancellation of existing share capital of the Transferor Company shall be effected as an integral part of this Scheme.

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

- 7.1. The Transferee Company shall account for the amalgamation in its books in accordance with applicable Accounting Standards and generally accepted accounting principles adopted in India.
- 7.2. The Transferee Company, shall upon the Scheme coming into effect, record the assets and

liabilities, if any, of the Transferor Company vested in it pursuant to this Scheme, at the respective book values thereof and in the same form as appearing in the books of the Transferor Company.

- 7.3. The identity of the reserves, excluding share premium, of the Transferor Company shall be preserved and the Transferee Company shall record the reserves, excluding share premium, of the Transferor Company in the same form and at the same values as they appear in the financial statements of the Transferor Company.
- 7.4. Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled.
- 7.5. The value of investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation.
- 7.6. The difference between the share capital and share premium of the Transferor Company and the book value of the investments cancelled in terms of Clause 7.5 above shall be credited to capital reserve, in the books of the Transferee Company.
- 7.7. In case of any difference in accounting policy between Transferor Company and Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference shall be quantified and adjusted in the reserves to ensure that the financial statements of Transferor Company reflect the financial position on the basis of consistent accounting policy.
- 7.8. In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

8. PROCEDURE RELATING TO THE TRANSFEROR COMPANY UNDER THE LAWS OF MAURITIUS

- 8.1 The Transferor Company is incorporated under the Mauritius Companies Act as a Category 1 Global Business Licenced company in Mauritius pursuant to the Financial Services Act 2007 as amended and to be converted to a Category 2 Global Business Licenced company.
- 8.2 In terms of Mauritius law, a company holding a category 2 global business licence can merge with one or more companies incorporated under the laws of a jurisdiction other than that of Mauritius where the merger is permitted by the laws of such jurisdiction. Accordingly, the Transferor Company would be converted into a category 2 global business licence company.
- 8.3 The Board of Directors of the Transferor Company has passed a resolution on October 24, 2016 approving the Scheme.
- 8.4 In terms of paragraph 4 (2) (a) of part II of the fourteenth schedule to the Mauritius Companies Act, the Transferor Company is required to comply with the laws of Mauritius and the Transferee Company will have to comply with the laws of India regarding the amalgamation of the Transferor Company with the Transferee Company.

- 8.5 In terms of paragraph 4 (2) (b) of part II of the fourteenth schedule to the Mauritius Companies Act, the Transferee Company, being incorporated under the laws of a jurisdiction other than that of Mauritius, must submit the following to the Registrar of Companies in Mauritius ("RoC Mauritius") in relation to the merger of the Transferor Company with the Transferee Company:
- a) An agreement that a service of process may be effected on it in Mauritius in respect of proceedings for the enforcement of any claim, debt, liability or obligation, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act or in respect of proceedings for the enforcement of the rights of a dissenting member of a constituent company incorporated under the Mauritius Companies Act against the surviving company (being the Transferee Company) or the Consolidated Company.
 - b) An irrevocable appointment of the registrar of the Transferor Company as its agent to accept service of process in proceedings referred to in sub clause (a) above;
 - c) An agreement that the Transferee Company shall promptly pay to the dissenting members, if any, of a constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the amount, if any, to which they are entitled under the Mauritius Companies Act, with respect to the rights of dissenting members. There is no dissenting member since the Scheme has been approved by the sole shareholder of the Transferor Company and therefore this provision does not apply; and
 - d) A certificate of merger or consolidation issued by the appropriate authority of the foreign jurisdiction (i.e. order passed by the High Court approving the Scheme) where it is incorporated.
- 8.6 Based on the above and given that there is no dissenting member of any constituent company (being the Transferor Company) incorporated under the Mauritius Companies Act, the Transferee Company will confirm in writing to the RoC Mauritius that (a) there is no such dissenting member and (b) the Transferee Company shall irrevocably appoint the administrator (process agent) of the Transferor Company, DTOS Ltd., on behalf of the Transferee Company to accept service of process in respect of proceedings for enforcement of any claim, debt, liability or obligation of the Transferor Company, if any.
- 8.7 In terms of paragraph 4 (3) of part II of the fourteenth schedule to the Mauritius Companies Act, where the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the effect of the merger shall be the same as in the case of a merger under part XVI of the Mauritius Companies Act except in so far as the laws of the other jurisdiction, i.e. the laws of India, otherwise provide.
- 8.8 In terms of paragraph 4(4) of part II of the fourteenth schedule to the Mauritius Companies Act, since the surviving company (being the Transferee Company) is incorporated under the laws of a jurisdiction other than that of Mauritius, the merger will be effective as provided for by the laws of that jurisdiction, i.e., the laws of India.
- 8.9 The Transferor Company shall be required to file certain documents including those set out in paragraph 4(2)(b) of part II of the fourteenth schedule to the Mauritius Companies Act with the

RoC Mauritius along with this Scheme and the corporate resolution of the Transferee Company or relevant extract thereof and the Transferor Company will be struck off the register maintained by the RoC Mauritius effective the date of the merger under the laws of India without the need for winding up.

- 8.10 On the Scheme becoming effective, the Transferor Company will be struck off the register maintained by the RoC Mauritius and shall stand dissolved without any further act or deed or without being wound-up.

PART V - GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

- 9.1. The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all the assets and liabilities, if any of the Transferor Company on account of and in trust for the Transferee Company;
- 9.2. All profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be of the Transferee Company;
- 9.3. Any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and in trust for and as agents of the Transferee Company. Similarly, any obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and
- 9.4. The Transferor Company shall not delineate, charge, mortgage, encumber or otherwise deal with its assets or any part thereof without prior written consent of the Transferee Company.

10. EMPLOYEES

- 10.1. Upon the coming into effect of this Scheme, all employees, if any, of Transferor Company as on the Effective Date shall become the employees of the Transferee Company on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the amalgamation of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with the Transferor Company and such benefits to which the employees are entitled in the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- 10.2. The Boards of Directors of each of the Transferor Company and the Transferee Company shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the permissions of this Clause.

11. LEGAL PROCEEDINGS

- 11.1. All legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date, as and from the Effective Date, shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company as the case may be.
- 11.2. After the Appointed Date, if any proceedings are taken against the Transferor Company in respect of the matters referred to in the sub-clause 11.1 above, the Transferor Company shall defend the same at the cost of the Transferee Company and the Transferee Company shall reimburse and indemnify the Transferor Company, including its directors, officers and administrative agent, against all liabilities and obligations incurred by the Transferor Company in respect thereof.
- 11.3. The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause 11.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Company.

12. CONTRACTS, DEEDS, ETC.

- 12.1. Upon this Scheme becoming effective, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and to which the Transferor Company is a party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be and may be enforced by or against the Transferee Company as fully and effectually as if instead of the Transferor Company, the Transferee Company had been a party thereto from inception. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme. After the Effective Date, the Transferee Company shall be deemed to be authorised to execute any deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
- 12.2. It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the order of the High Court sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company under any contractual arrangements shall automatically stand transferred to and vested in and/ or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/ or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and stead of the Transferor Company, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its

obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.

- 12.3. Without prejudice to the above, the Transferee Company shall, if so desirable or required or become necessary, upon the coming into effect of this Scheme and with effect from the Appointed Date, enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme and to the extent that the Transferor Company are required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company, as the case may be. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
- 12.4. Without prejudice to the above, it is further clarified that with respect to approvals, permissions, licenses, registrations, consents that may require amendment for the purpose of giving effect to this Scheme and to ensure that there is no change in the entitlements otherwise available to the Transferor Company in the absence of this Scheme, the Transferee Company shall be permitted to use the name and approvals, permissions, licenses, registrations, consents of the Transferor Company till such approvals, permissions, licenses, registrations, consents are so amended and updated, so as to enable the Transferee Company to continue to avail the entitlements otherwise available to the Transferor Company.

13. SAVING OF CONCLUDED TRANSACTIONS & PROCEEDINGS

- 13.1. The transfer and vesting of the Transferor Company under Clause 4 and the continuance of proceedings by or against the Transferee Company under Clause 11 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

14. APPLICATION TO HIGH COURT

- 14.1. The Transferee Company shall make applications/petitions under Sections 391 to 394 and other applicable provisions of the Act to the High Court seeking orders for dispensing with or convening, holding and conducting the meetings of members and creditors and for an order sanctioning this Scheme of the Transferor Company with the Transferee Company and its shareholders and creditors.
- 14.2. The Transferor Company shall initiate and pursue all actions necessary under the local laws of their jurisdiction (i.e., Mauritius). The Transferor Company shall take all necessary steps for

sanctioning of this Scheme and for their continuing as one company with the Transferee Company and apply for and obtain such other approvals, if any, required under the Applicable Laws.

15. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 15.1. Subject to requisite approvals of the High Court and/ or the Appropriate Authorities (if applicable), the Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may consent to any modifications/amendments to the Scheme or to any conditions or limitations that the High Court or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the High Courts or such other Appropriate Authorities (if applicable), whether in pursuance of a change in law or otherwise. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or subcommittee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferor Company and/or the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

16. CONDITIONALITY

- 16.1. This Scheme is conditional upon and subject to:

- 16.1.1 the requisite sanction or approval of the Appropriate Authorities from India and Mauritius being obtained and/or granted in relation to any of the matters in respect of which such sanction or approval is required.
- 16.1.2 the approval by the requisite majority of the shareholders and/or creditors (as may be required and/or to the extent not dispensed with by the Appropriate Authorities) of the Mauritius Transferor Company and the requisite majority in number and value of the shareholders and/or creditors (as may be required and/or to the extent not dispensed with by the Appropriate Authorities) of the Transferee Company, as required under Applicable Law.
- 16.1.3 the Stock Exchanges issuing their observation/ no-objection letters and SEBI issuing its comments on the Scheme, to the Transferee Company including comments/ approval after sanction of the Scheme by the High Court, as required under regulation 37 of the Listing Regulations and the SEBI Circular. It is being clarified that the approval from the public shareholders of the Transferor Company through postal ballot and e-voting is exempt and is not required pursuant to the non-applicability of the

requirements under Paragraph I (A) (9) (a) of Annexure I of the SEBI Circular.

- 16.1.4 the Scheme being sanctioned by the High Court in terms of Sections 391 to 394 and/or all other relevant provisions of the Act.
- 16.1.5 compliance by the Transferor Company of all the necessary and applicable provisions of its Applicable Law (including without limitation, all necessary filings to be made under Applicable Laws of Mauritius).
- 16.1.6 the Transferee Company entering into agreements under section 4 (2) (b) of part II of the fourteenth schedule to the Mauritius Companies Act and appointing DTOS Ltd.* as its agent to accept service of process, and the RoC Mauritius accepting the order passed by the High Court as sufficient evidence of the Scheme being sanctioned and consequently striking off the Transferor Company, in its records.
- 16.2. This Scheme, although to come into operation from the Appointed Date, shall not become effective until the last of the following dates, namely:
 - 16.2.1 That on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 16.1 shall be obtained or passed; or
 - 16.2.2 That on which all necessary certified/ authenticated copies of orders under Sections 391 and 394 of the Act shall be duly filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferee Company.
- 16.3. The last of such dates shall be the “**Effective Date**” for the purpose of this Scheme.

17. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company will be struck off the register maintained by the RoC Mauritius and shall stand dissolved without any further act or deed or without being wound-up.

18. EFFECT OF NON-RECEIPT OF APPROVALS

- 18.1. In the event of any of the said approvals or conditions referred to in Clause 16 above not being obtained and/ or complied with and/or satisfied and/or the Scheme not being sanctioned by the High Court and/or order or orders not being passed as aforesaid before such date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect, unless otherwise specifically decided by the Transferor Company and the Transferee Company. The Transferor Company and the Transferee Company shall, in such event, *inter se* bear and pay their respective costs, charges, expenses in connection with the Scheme.
- 18.2. In the event of revocation under Sub-Clause 18.1, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except

in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable laws and in such case, each company shall bear its own costs unless otherwise mutually agreed.

- 18.3. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.
- 18.4. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post-amalgamation.
- 18.5. If any part of this Scheme hereof is invalid, ruled illegal by any High Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Company and /or the Transferee Company, then in such case the Transferor Company and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part.

19. COSTS, CHARGES & EXPENSES

- 19.1. All costs, charges, taxes and expenses including stamp duty and registration fee of any deed, document, instrument or High Court's order including this Scheme, duties, levies and all other expenses, if any, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company.

* amended as per resolution dated 10 February 2017 passed by the Scheme Implementation Committee constituted by the Board of Directors of the Transferee Company vide resolution dated 25 October 2016.

Details of the Promoter Group of the Company along with their addresses as on June 30, 2017

Sr. No	Name of the Promoter(s)	Address
1	Aashay Ashish Choksi	B-36, Sterling Apartments, 18 th Floor, 38 Peddar Road, Near Sofia College, Mumbai - 400 026
2	Abhay Arvind Vakil	Geetanjali, 9N, Gamadia Road, Off Peddar Road, Mumbai - 400 026
3	Abhay Arvind Vakil Karta For Abhay Arvind Vakil HUF	8/A Geetanjali, 9N Gamadia Road, Off Peddar Road, Mumbai - 400 026
4	Abhay Arvind Vakil Karta For Vakil HUF	8/A Geetanjali, 9N Gamadia Road, Off Peddar Road, Mumbai - 400 026
5	Amar Arvind Vakil	Geetanjali, 9N, Gamadia Road, Off Peddar Road, Mumbai - 400 026
6	Amar Arvind Vakil Karta For Amar Vakil HUF	3/B, Geetanjali, 9N Gamadia Road, Off Peddar Road, Gamdevi, Mumbai - 400 026
7	Ami Manish Choksi	C-1801/1802, Beau Monde Appasaheb, Marathe Marg, Prabhadevi, Mumbai - 400 025
8	Amrita Amar Vakil	Geetanjali, 9N, Gamadia Road, Off Peddar Road, Mumbai - 400 026
9	Anay Rupen Choksi	11-A, Jeevan Asha, 60A, Peddar Road, Mumbai - 400 026
10	Asha Subhash Gujarathi	Geetanjali, 9N, Gamadia Road, Off Peddar Road, Mumbai - 400 026
11	Ashish Ashwin Choksi	B-36, Sterling Apartments, 18 th Floor, 38 Peddar Road, Near Sofia College, Mumbai - 400 026
12	Ashish Ashwin Choksi Karta For Ashish Ashwin Choksi HUF	B-36, Sterling Apartments, 18 th Floor, 38 Peddar Road, Near Sofia College, Mumbai - 400 026
13	Ashwin Chimanlal Choksi	11-A, Jeevan Asha, 60A, Peddar Road, Mumbai - 400 026
14	Ashwin Chimanlal Choksi Karta For Ashwin Chimanlal Choksi HUF	11-A, Jeevan Asha, 60A, Peddar Road, Mumbai - 400 026
15	Ashwin Ramanlal Gandhi	Neel Kamal Race Course Circle, Opp Gautam Nagar Society, Vadodara, Gujarat - 390 007
16	Ashwin Suryakant Dani	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
17	Ashwin Suryakant Dani Karta For Ashwin Suryakant Dani HUF	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
18	Asteroids Trading and Investments Private Limited	414, Shah Nahar Industrial Estate, B Wing, Dr. E. Moses Road, Worli, Mumbai - 400 018
19	Avinash Holding and Trading Company Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
20	Bhairavi Abhay Vakil	Geetanjali, 9N, Gamadia Road, Off Peddar Road, Mumbai - 400 026

Sr. No	Name of the Promoter(s)	Address
21	Binita Ashish Choksi	B-36, Sterling Apartments, 18 th Floor, 38 Peddar Road, Near Sofia College, Mumbai - 400 026
22	Canes Venatici Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
23	Castle Investment and Industries Private Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055
24	Centaurus Trading and Investments Private Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055
25	Chandanben Chhotalal Shah	Chandralok, A Block No. 301 97, Nepeansea Road, Mumbai - 400 006
26	Cronus Merchandise LLP	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
27	Cronus Trust	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
28	Dani Charitable Foundation	Gujarat Organics Limited, 3A, Barodawala Mansion, 81, Dr. Annie Besant Road, Worli, Mumbai - 400 018
29	Dani Finlease Limited	4B, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
30	Dipika Amar Vakil	Geetanjali, 9N, Gamadia Road, Off Peddar Road, Mumbai - 400 026
31	Doli Trading and Investments Private Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055
32	Druhi Ashish Choksi	B-36, Sterling Apartments, 18 th Floor, 38 Peddar Road, Near Sofia College, Mumbai - 400 026
33	Elcid Investments Limited	414, Shah Nahar Industrial Estate, B Wing, Dr. E. Moses Road, Worli, Mumbai - 400 018
34	ELF Trading and Chemicals Manufacturing Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055
35	Geetanjali Trading And Investments Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
36	Gujarat Organics Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
37	Haish Holding and Trading Company Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
38	Hasit Ashwin Dani	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
39	Hasit Ashwin Dani Karta For Hasit Ashwin Dani HUF	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007

Sr. No	Name of the Promoter(s)	Address
40	Hiren Ashwin Gandhi	C/O. Ashwin S Dani, Home Villa 48, Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
41	Hiren Holdings Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
42	Hitech Specialities Solutions Limited	Unit No. 202, 2 nd Floor, Welspun House, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013
43	Hydra Trading Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400018
44	Ina Ashwin Dani	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
45	Ishwara Hasit Dani	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
46	Ishwara Trust	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400018
47	ISIS Holding and Trading Company Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
48	Jalaj Ashwin Dani	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
49	Jalaj Trading & Investment Company Private Limited	414, Shah Nahar Industrial Estate, B Wing, Dr. E. Moses Road, Worli, Mumbai - 400 018
50	Jaldhar Investments and Trading Company Private Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055
51	Jigish Shailesh Choksi	Nepean House, Flat No - 601, 85A Nepean Sea Road, Mumbai - 400 006
52	Lambodar Investments and Trading Company Limited	414, Shah Nahar Industrial Estate, B Wing, Dr. E. Moses Road, Worli, Mumbai - 400 018
53	Lyon Investment and Industries Private Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055
54	Mahendra Chimanlal Choksi	C-1801/1802, Beau Monde Appasaheb, Marathe Marg, Prabhadevi, Mumbai - 400 025
55	Mahendra Chimanlal Choksi Karta For Mahendra Chimanlal Choksi HUF	C-1801/1802, Beau Monde Appasaheb, Marathe Marg, Prabhadevi, Mumbai - 400 025
56	Malav Ashwin Dani	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
57	Manish Mahendra Choksi	C-1801/1802, Beau Monde Appasaheb, Marathe Marg, Prabhadevi, Mumbai - 400 025
58	Manish Mahendra Choksi Karta For Manish Mahendra Choksi HUF	C-1801/1802, Beau Monde Appasaheb, Marathe Marg, Prabhadevi, Mumbai - 400 025
59	Meghna Satyen Gandhi	29 Kunj Soc, B/H Milan Kunj Hall, Alkapuri, Behind Milan Kunj, Vadodara, Gujarat - 390 007

Sr. No	Name of the Promoter(s)	Address
60	Mudit Jalaj Dani	Home Villa, Ground Floor, Flat No 3, 48, Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
61	Murahar Investments and Trading Company Limited	414, Shah Nahar Industrial Estate, B Wing, Dr. E. Moses Road, Worli, Mumbai - 400 018
62	Naradia Trust	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
63	Naradiya Commercial LLP	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
64	Nehal Abhay Vakil	Geetanjali, 9N, Gamadia Road, Off Peddar Road, Mumbai - 400 026
65	Nehal Trading and Investments Private Limited	414, Shah Nahar Industrial Estate, B Wing, Dr. E. Moses Road, Worli, Mumbai - 400 018
66	Nysha Rupen Choksi	11- A, Jeevan Asha, 60 A, Pedder Road, Mumbai - 400 026
67	Prafullika Shailesh Choksi	Nepean House, Flat No - 601, 85A Nepean Sea Road, Mumbai - 400 006
68	Ragini Varun Vakil	3/B,Geetanjali, 9/N Gamadia Road, Off Pedder Road, Gamdevi, Mumbai - 400 026
69	Rayirth Holding and Trading Company Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
70	Rhea Manish Choksi	C-1801/1802, Beau Monde Appasaheb, Marathe Marg, Prabhadevi, Mumbai - 400 025
71	Riash Realty Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
72	Richa Manish Choksi	C-1801/1802, Beau Monde Appasaheb, Marathe Marg, Prabhadevi, Mumbai - 400 025
73	Rita Mahendra Choksi	C-1801/1802, Beau Monde Appasaheb, Marathe Marg, Prabhadevi, Mumbai - 400 025
74	Rupal Anant Bhat	C-1801/1802, Beau Monde Appasaheb, Marathe Marg, Prabhadevi, Mumbai - 400 025
75	Rupen Ashwin Choksi	11-A, Jeevan Asha, 60 A, Pedder Road, Mumbai - 400 026
76	Rupen Investment and Industries Private Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055
77	S C Dani Research Foundation Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
78	Satyadharma Investments and Trading Company Private Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055

Sr. No	Name of the Promoter(s)	Address
79	Satyen Ashwin Gandhi	C/O Ashwin S Dani, Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
80	Shailesh Chimanlal Choksi	Nepean House, Flat No - 601, 85A Nepean Sea Road, Mumbai - 400 006
81	Shailesh Chimanlal Choksi Karta For Shailesh Chimanlal Choksi HUF	Nepean House, Flat No - 601, 85A Nepean Sea Road, Mumbai - 400 006
82	Shubhlakshmi Hasit Dani	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
83	Smiti Holding and Trading Company Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
84	Smiti Jalaj Dani	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
85	Sudhanava Investments and Trading Company Private Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055
86	Suptaswar Investments and Trading Company Limited	414, Shah Nahar Industrial Estate, B Wing, Dr. E. Moses Road, Worli, Mumbai - 400 018
87	Tru Trading and Investments Private Limited	202/203, Magnum Opus, Shanti Nagar Industrial Estate, Vakola, Santacruz (East), Mumbai - 400 055
88	Unnati Trading and Investments Private Limited	414, Shah Nahar Industrial Estate, B Wing, Dr. E. Moses Road, Worli, Mumbai - 400 018
89	Urvashi Ashwin Choksi	11-A, Jeevan Asha, 60 A, Pedder Road, Mumbai - 400 026
90	Vaibhavi Hiren Gandhi	28, Shankar Sagar, Sophia Coll Lane, Off Warden Road, Mumbai - 400 026
91	Varun Amar Vakil	3/B,Geetanjali, 9N Gamadia Road, Off Pedder Road, Gamdevi, Mumbai - 400 026
92	Vijal Holding and Trading Company Private Limited	3A, Barodawala Mansion, 81 Dr. Annie Besant Road, Worli, Mumbai - 400 018
93	Vikatmev Containers Limited	414, Shah Nahar Industrial Estate, B Wing, Dr. E. Moses Road, Worli, Mumbai - 400 018
94	Vishal Shailesh Choksi	Nepean House, Flat No - 601, 85A Nepean Sea Road, Mumbai - 400 006
95	Vita Jalaj Dani	Home Villa, 48 Krishna Sanghi Path, Gamdevi, Mumbai - 400 007
96	Vivek Abhay Vakil	8/A, Geetanjali 9N Gamadia Road, Off Peddar Road, Mumbai - 400 026

B S R & Co. LLP

Chartered Accountants
Lodha Excelus, 5th Floor,
Apollo Mills Compound,
N. M. Joshi Marg,
Mahalakshmi,
Mumbai 400 011.

Deloitte Haskins & Sells LLP

Chartered Accountants
Tower 3, 27th – 32nd Floor,
Indiabulls Finance Centre
Elphinstone Mill Compound
Senapati Bapat Marg
Elphinstone (West),
Mumbai - 400013

Independent Auditor's Certificate on the proposed Draft Scheme of Amalgamation

To,
The Board of Directors of
Asian Paints Limited

1. This certificate is issued in accordance with the terms of our engagement letters dated September 22, 2016 and July 12, 2016 respectively.
2. We, the Statutory Auditors of Asian Paints Limited ("APL" or "the Company") have examined the proposed Draft Scheme of Amalgamation under Sections 391 and 394 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified) between the Company, having its registered office at 6A Shantinagar, Santacruz (East), Mumbai – 400 055 and Asian Paints (International) Limited having its registered office at 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius ("APIL"), a wholly owned subsidiary of the Company and their respective shareholders and creditors ("the Draft Scheme").
3. Based on our examination of the Draft Scheme and according to information and explanations given to us, we note that the Draft Scheme entails the amalgamation of APIL with its parent APL, with the consequent dissolution without winding up of APIL.
4. We further note that, as a result of the proposed amalgamation, the existing shares of APIL held by APL will stand cancelled, with no issuance of further shares or payment of other consideration by APL. Since, the shareholders and the shareholding pattern of APL remains the same, it is treated as "no change in shareholding pattern" in APL and accordingly no valuation process is applicable to the transaction contemplated by the aforesaid Draft Scheme.
5. A copy of the Draft Scheme duly authenticated by CFO & Company Secretary, President – Industrial JVs is attached as Annexure I to this Certificate, and is stamped by us only for the purpose of identification.
6. We conducted our examination of the Draft Scheme in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

APL
UP

B S R & Co. LLP

Chartered Accountants
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Apollo Mills Compound,
N. M. Joshi Marg,
Mahalakshmi,
Mumbai 400 011.

Deloitte Haskins & Sells LLP

Chartered Accountants
Tower 3, 27th – 32nd Floor,
Indiabulls Finance Centre
Elphinstone Mill Compound
Senapati Bapat Marg
Elphinstone (West),
Mumbai - 400013

8. This certificate is issued at the request of the Company in accordance with Clause 4 of Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 read with regulations 11 and 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for its onward submission to BSE Limited, use by the independent valuer for issuance of a fairness opinion and should not be used for any other purpose or to be distributed to any other parties without our written consent.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

October 20, 2016

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No: 117366W/W-100018



Abhijit A. Damle

Partner

Membership No: 102912

Mumbai

October 20, 2016

BSR & Co. LLP

Chartered Accountants
Lodha Excelus, 5th Floor,
Apollo Mills Compound,
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Mumbai 400 011.

Deloitte Haskins & Sells LLP

Chartered Accountants
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Elphinstone Mill Compound
Senapati Bapat Marg
Elphinstone (West),
Mumbai - 400013

**Independent Auditor's Certificate on the proposed accounting treatment specified in the
proposed Draft Scheme of Amalgamation**

To,
The Board of Directors of
Asian Paints Limited

1. This certificate is issued in accordance with the terms of our engagement letters dated September 22, 2016 and July 12, 2016 respectively.
2. We, the statutory auditors of Asian Paints Limited ("APL" or "the Company"), have examined the proposed accounting treatment specified in Clause 7 'Accounting Treatment in the books of the Transferee Company' of the Draft Scheme of Amalgamation between Asian Paints Limited, having its registered office at 6A Shantinagar, Santacruz (East), Mumbai - 400055 and Asian Paints (International) Limited, having its registered office at 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius ("APIL"), a wholly owned subsidiary of the Company and their respective shareholders and creditors ("the Draft Scheme") in terms of the provisions of Sections 391 and 394 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 2013 (to the extent notified) with reference to its compliance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India.

Management's responsibility

3. The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards read with the rules made there under and Other Generally Accepted Accounting Principles as aforesaid, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the proposed Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's responsibility

4. Our responsibility is only to examine and report whether the accounting treatment referred to in paragraphs of the Draft Scheme referred to above comply with the applicable Accounting Standards, as applicable, and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with

DRP
LLP

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B S R & Co. LLP

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Elphinstone Mill Compound
Senapati Bapat Marg
Elphinstone (West),
Mumbai - 400013

the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Draft Scheme.

Opinion

5. Based on our examination and according to the information and explanations given to us, we confirm that the proposed accounting treatment in the books of the Company as contained in Clause 7 to the Draft Scheme is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India.
6. A copy of the Draft Scheme duly authenticated by CFO & Company Secretary, President – Industrial JVs is attached as Annexure I to this Certificate, and is stamped by us only for the purpose of identification.

Restriction on use

7. This Certificate is issued at the request of the Company pursuant to the requirements of Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 read with regulation 11 and 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited (BSE). This Certificate should not be used for any other purpose or to be distributed to any other parties without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP

Chartered Accountants
Firm's Registration No: 101248W/W-100022

**Bhavesh Dhupelia**

Partner
Membership No: 042070

Mumbai
October 20, 2016

For Deloitte Haskins & Sells LLP

Chartered Accountants
Firm's Registration No: 117366W/W-100018

**Abhijit A. Damle**

Partner
Membership No: 102912

Mumbai
October 20, 2016



Ernst & Young Merchant Banking Services Pvt. Ltd.
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24 October 2016

The Board of Directors
Asian Paints Limited
Asian Paints House 6A,
Shantinagar Santacruz East,
Mumbai,
Maharashtra - 400055
India.

Re: Fairness opinion on the Independent Auditors Certificate with respect to the proposed merger of Asian Paints Paints (International) Limited (“APIL” or “Transferor Company”) with Asian Paints Limited (“APL”, “you”, “the client” or “Transferee Company”)

Dear Sirs,

We refer our engagement letter dated 18 October 2016, wherein APL has requested us to provide fairness opinion on the Independent Auditors Certificate (with regard to Clause 4 of Securities and Exchange Board of India (SEBI) Circular No. CIR/CFD/CMD/16/2015 dated 30 November 2015) on the proposed Draft Scheme of Amalgamation. The Independent Auditors Certificate (“Certificate”) dated 20 October 2016 is issued by B S R & Co. LLP, Chartered Accountants and Deloitte Haskins & Sells LLP, Chartered Accountants (“Independent Auditors”), appointed by the Management of APL (“Management”) in relation to the proposed merger of APIL into APL (“Merger” or “Transaction”).

APL and APIL are hereinafter jointly referred to as “the Companies”.

SCOPE AND PURPOSE OF THIS REPORT

APL manufactures and sells a range of (i) decorative and industrial paints, (ii) surfacing preparations; (iii) organic composite solvents, thinners, and other related products, (iv) organic and inorganic compounds, etc. (v) home improvement products such as bath, sinks, washbasins and similar articles, etc. APL was incorporated in 1945 and has its registered office in Mumbai, India. APL is listed on National Stock Exchange (NSE) & Bombay Stock Exchange (BSE).

Asian Paints (International) Limited (APIL) was incorporated as and has always been a wholly owned subsidiary of APL. APIL is an investment holding company incorporated in Mauritius and holds a Category 1 Global Business License. The principal activities of its subsidiary companies related to manufacturing and selling of paints. APIL’s registered office is situated at 10th floor, Standard Chartered Tower, 19 Cybercity, Ebene, Republic of Mauritius.

We understand that the Board of Directors of the Companies are proposing to merge APIL into APL pursuant to a Scheme of Amalgamation and Arrangement under the provisions of Sections 391-394 of the Companies Act, 1956 (hereinafter referred to as the “Scheme”). We understand that the proposed appointed date for the Merger is 1 January 2017.

In this connection, the Management has engaged Ernst & Young Merchant Banking Services Private Limited (hereinafter referred to as “EY”) to submit a fairness opinion report on the Independent Auditors Certificate in relation with proposed merger of APIL with APL. Our scope of work includes commenting only on the fairness of the recommendation in the Certificate issued by the Independent Auditor and not on the fairness or economic rationale of the Merger per se.

This report was prepared solely for the purpose of filing with the Securities Exchange Board of India (SEBI), Bombay Stock Exchange Limited (BSE), National Stock Exchange (NSE) and the Bombay High Court and any other regulatory authority/ parties as may be required for the purpose of the proposed Merger and should not be used or relied upon for any other purpose.

This report is our deliverable in respect of our fairness opinion on the Independent Auditors Certificate in relation with proposed merger of APIL with APL.

This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, not in parts and in conjunction with the relevant documents referred to herein. This report has been issued only for the purpose of facilitating the Merger and should not be used for any other purpose.

SOURCES OF INFORMATION

The sources of information, which have been furnished to us by APL, include Audited accounts of APIL for the year ended 31 March 2016, The Independent Auditor’s Certificate on the proposed Draft Scheme of Amalgamation dated 20 October 2016 issued by B S R & Co. LLP, Chartered Accountants and Deloitte Haskins & Sells LLP, Chartered Accountants dated 20 October 2016, Draft Scheme of Amalgamation and the shareholding pattern of APIL. We have also obtained necessary explanations and information, which we believed were relevant to the present exercise, from the representatives of the Management.

Further, the Management has informed us that the shareholding pattern of APIL would not undergo any change till the Merger becomes effective. The existing shares of APIL held by APL will stand cancelled, with no issuance of further shares or payment of other consideration by APL.

It may be mentioned that APL has been provided an opportunity to review the draft report for the current engagement as part of our standard practice to make sure that factual inaccuracies are avoided in our report.

STATEMENT OF LIMITING CONDITIONS

Affecting results

Fairness opinion analysis and result are specific to the purpose of fairness opinion as agreed per terms of our engagement. It may not be valid for any other purpose. This report, its contents and the results herein are specific to the date of this report. Events occurring after this date may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report. Also, it may not be valid if done on behalf of any other entity. The fairness opinion analysis and result are substantively based only on information contained in this report and are governed by concept of materiality.

The opinion rendered in this report only represents the opinion(s) of EY based upon information furnished by the Management and the said opinion shall be considered advisory in nature.

Our report should not be construed as our recommendation to the Merger or opining or certifying the compliance of the Merger with the provisions of any law including companies, taxation and capital market related laws or as regards any accounting, legal or tax implications or issues arising from such Merger.

The fee for the report is not contingent upon the results reported.

Others

We owe responsibility to only the directors of APL and nobody else.

We do not accept any liability to any third party in relation to the issue of this report and our report is conditional upon an express indemnity from APL in our favor holding us harmless from and against any cost, damage, expense and other consequence in connection with the provision of this report.

This report is subject to the laws of India.

Neither the report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than for submission to High Court, other regulatory authorities and inspection by equity shareholders in connection with the Merger, without our prior written consent. The report does not constitute a recommendation to any shareholder/creditor on how they should vote in any meetings. The report also does not evaluate fairness from creditors' perspective.

CONCLUSION

With reference to above and based on the information and explanation provided by the Management of APL, we understand that since APIL is a wholly owned subsidiary of APL, there shall be no issuance of shares or payment of consideration by APL to the shareholders of APIL and the shares of APIL held by APL will stand cancelled. Further, there will be no impact on the shareholding pattern of APL pursuant to the merger.

In light of the above and based on the consideration of all the relevant factors and circumstances as provided to us by the Management, we believe that the recommendation made by the Auditors of APL as per their certificate (titled Independent Auditors Certificate on the proposed Draft Scheme of Amalgamation dated 20 October 2016) that there is no change in shareholding pattern and accordingly no valuation process is applicable to the contemplated Transaction in our opinion, is fair and reasonable.

Yours Faithfully,



Parag Mehta
Principal
ICAI Membership Number: 102288
Place: Mumbai



DCS/AMAL/MD/R37/ 651 /2016-17

December 23, 2016

The Company Secretary
Asian Paints Ltd.,
 6 A, Shantinagar,
 Santacruz East, Mumbai -400055.
 Maharashtra

Sir,

Sub: Observation letter regarding the Draft Scheme of Amalgamation between Asian Paints (International) Limited and Asian Paints Limited.

We are in receipt of Draft Scheme of Amalgamation between Asian Paints (International) Limited and Asian Paints Limited.

As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated December 19, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- **"Company shall duly comply with various provisions of the Circulars."**

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

- To duly comply with various provisions of the circulars

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

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

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

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

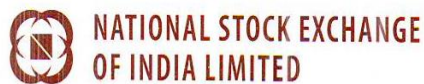
Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Nitin Pujari
 Manager



BSE Limited (Formerly Bombay Stock Exchange Ltd.)
 Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai 400 001 India
 T: +91 22 2272 1234/33 E: corp.comm@bseindia.com www.bseindia.com
 Corporate Identity Number: U67120MH2005PLC155188



Ref: NSE/LIST/98306

December 23, 2016

The CFO and Company Secretary
Asian Paints Limited
Asian Paints House,
6A, Shantinagar,
Santacruz (East),
Mumbai – 400 055

Kind Attn.: Mr. Jayesh Merchant

Dear Sir,

Sub: Observation letter for Scheme of Amalgamation under Sections 391 and 394 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 1956 and the Companies Act, 2013 of Asian Paints (International) Limited with Asian Paints Limited.

This has reference to draft Scheme of Amalgamation under Sections 391 and 394 and other applicable provisions of the Companies Act, 1956 and the Companies Act, 1956 and the Companies Act, 2013 of Asian Paints (International) Limited with Asian Paints Limited submitted to NSE vide your letter dated October 26, 2016.

Based on our letter reference no Ref: NSE/LIST/95201 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated December 23, 2016, has given following comment on the draft Scheme of Arrangement:

“The company shall duly comply with various provisions of the Circular.”

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our “No-objection” in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the Hon’ble High Court.

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

The validity of this “Observation Letter” shall be six months from December 23, 2016, within which the Scheme shall be submitted to the Hon’ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon’ble High Court, you shall submit to NSE the following:

- a) Copy of Scheme as approved by the High Court;
- b) Result of voting by shareholders for approving the Scheme;
- c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme,
- d) Status of compliance with the Observation Letter/s of the stock exchanges.
- e) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and



- f) Complaints Report as per SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Limited

Divya Poojari
Manager

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

This Document is Digitally Signed



Signer : Divya Babu Poojari
Date: Fri, Dec 23, 2016 20:31:09 GMT+05:30
Location: NSE



Asian Paints Limited
 Asian Paints House
 6A, Shantinagar
 Santacruz (E)
 Mumbai 400 055
 T : (022) 6218 1000
 F : (022) 6218 1111
 www.asianpaints.com

ANNEXURE III

BSE Limited
Corporate Relationship Department
 P J Towers, 25th Floor,
 Dalal Street, Fort,
 Mumbai – 400 001

Sub – Compliance of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015

Sir,

This is to undertake that the Company shall submit a report of the complaint(s) received, if any, on the draft Scheme of Amalgamation of Asian Paints (International) Limited ("APIL" or "Transferor Company") with Asian Paints Limited ("APL" or "Transferee Company") within the prescribed time and in the following manner provided in the SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 –

Format for Complaints Report:

Part A

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



Asian Paints Limited
Asian Paints House
6A, Shantinagar
Santacruz (E)
Mumbai 400 055
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F : (022) 6218 1111
www.asianpaints.com

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	NOT APPLICABLE		
2.	NOT APPLICABLE		
3.	NOT APPLICABLE		

Yours truly,

For **ASIAN PAINTS LIMITED**


JAYESH MERCHANT
CFO & COMPANY SECRETARY,
PRESIDENT – INDUSTRIAL JVs

CC: National Stock Exchange of India Limited

Place: Mumbai

Date: 22nd November, 2016



भारतीय रिज़र्व बैंक
RESERVE BANK OF INDIA
 www.rbi.org.in

Please quote ref. in reply.

Ref. No. FE.CO.OID/12361/19.01.202/2016-17

June 12, 2017

The Assistant General Manager (IBD)
 State Bank of India
 Corporate Account Group Branch
 J.N.Heredia Marg,
 "Neville House"
 Ballard Estate, Mumbai – 400 001

Dear Sir,

Asian Paints Ltd- WOS Asian Paints International Limited – UIN BYWRB19990180-
 Cross Border Merger.

Please refer to your letter dated June 07, 2017 on the captioned subject. In this connection, we convey our 'No objection' from FEMA 1999, angle to the captioned Indian Party for the disinvestment of the overseas entity under the proposed scheme of amalgamation, subject to the conditions as under :

- (a) Any issue or transfer of security by the resultant company to a person resident outside out-side India shall be in accordance with the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000. (Resultant company means an Indian company or a foreign company which is established or formed or is proposed to be established or formed on sanction of the Scheme of cross border merger.)
- (b) Any borrowing or impending borrowing of the foreign company from overseas sources which becomes the borrowing of the resultant company or any borrowing from overseas sources entering into the books of resultant company arising shall confirm to the External Commercial Borrowing norms or Trade Credit norms or other foreign borrowing norms, as laid down under Foreign Exchange Management (Borrowing or Lending in Foreign Exchange) Regulations, 2000 or Foreign Exchange Management (Guarantee) Regulations, 2000 as applicable.

चेतावनी: रिज़र्व बैंक द्वारा ई-मेल, डाक, एसएमएस या फोन-कॉल के जरिए किसी को भी व्यक्तिगत जानकारी जैसे बैंक के खाते का ब्यौरा, पासवर्ड आदि नहीं मांगा जातो है। यह धन रखने या देने का प्रस्ताव भी नहीं करता है। ऐसे प्रस्तावों का किसी भी तरीके में जबाब मत दीजिए।

Caution : RBI never sends mails, SMSs or makes calls asking for personal information like bank account details, passwords, etc. It never keeps or offers funds to anyone. Please do not respond in any manner to such offers.

विदेशी मुद्रा विभाग, केन्द्रीय कार्यालय, केन्द्रीय कार्यालय भवन, शहीद भगतसिंह मार्ग, फोर्ट, मुंबई - 400 001. भारत
 के.का. फोन : (022) 2260 1000 फैक्स : (022) 2266 5330 अमर भवन फोन : (022) 2260 3000 फैक्स : (022) 2269 4935 ई-मेल : helpfed@rbi.org.in
 Foreign Exchange Department, Central Office, Central Office Building, Shahid Bhagat Singh Marg, Fort, Mumbai-400 001, India
 COB : Tel : (022) 2260 1000 Fax : (022) 2266 5330 Amar Building Tel.: (022) 2260 3000 Fax : (022) 2269 4935 E-mail : helpfed@rbi.org.in

हिंदी आसान है, इसका प्रयोग बढ़ावाएँ

- (c) The resultant company may acquire and hold any asset outside India which an Indian Company is permitted to acquire under the provisions of the Act, rules or regulations framed thereunder. Such assets can be transferred in any manner for undertaking a transaction permissible under the Act or rules or regulations framed thereunder.
- (d) The valuation of the Indian Company and the foreign Company for the purpose of cross border merger shall be done as per internationally accepted pricing methodology for valuation of shares on arm's length basis which could be duly certified by the Chartered Accountant/public accountant/merchant banker authorized to do so in either jurisdiction.

2. Further, we advise you as under while reporting the transaction :

- (i) Confirm the reconciliation of all the remittances under the captioned UIN.
- (ii) Report online the disinvestment in our web portal after the completion of above compliances.

3. This communication is issued from the foreign exchange angle under the provisions of FEMA and should not be construed to convey the approval by any other statutory authority or Government under any other laws. If further approval or permission is required from any other regulatory authority or Government under relevant laws/regulations, the applicant should take the approval of the concerned agency before effecting the transaction. Further, it should not be construed as regularising or validating any irregularities contravention or other, if any, under the provisions of any other laws/regulations.

Yours faithfully,



(Debashis Mukherjee)
Manager

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ASIAN PAINTS LIMITED AT ITS MEETING HELD ON TUESDAY, JULY 25, 2017 AT 6A, SHANTI NAGAR, SANTACRUZ (EAST), MUMBAI - 400 055 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON SHAREHOLDERS, PROMOTER AND NON-PROMOTER SHAREHOLDERS AND KEY MANAGERIAL PERSONNEL

1. Background

- 1.1 The Board of Directors of the Company (the **"Board"**) vide its resolution dated October 25, 2016 have approved the proposed Scheme of Amalgamation between Asian Paints Limited (**"Applicant Company"** or the **"Transferee Company"** or **"Company"**) and Asian Paints (International) Limited (the **"Transferor Company"** or **"APIL"**) (the **"Scheme"**). APIL is a wholly owned subsidiary of the Company.
- 1.2 Subsequent to the said date, provisions of Sections 230 – 232 of the Companies Act, 2013 (the **"Act"**) *inter alia*, governing schemes of compromise and arrangement became operative with effect from December 15, 2016. Thereafter, Section 234 of the Act and Rule 25A of the Companies (Compromise, Arrangement and Amalgamation) Amendment Rules, 2017 (the **"Companies Amendment Rules"**) *inter alia*, governing schemes of amalgamation of a foreign company into an Indian company were notified with effect from April 13, 2017.
- 1.3 The provisions of Section 232(2)(c) of the Act requires the directors to adopt a report explaining (i) the effect of the arrangement under the Scheme on each class of shareholders (promoter and non-promoter shareholders) and key managerial personnel; and (ii) laying out in particular the share exchange ratio, specifying any special valuation difficulties.
- 1.4 The Board noted that the Scheme does not contemplate any allotment of shares of the Company.
- 1.5 This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act read with Rule 25A of the Companies Amendment Rules.
- 1.6 The following documents were placed before the Board at its meeting held on October 25, 2016:
 - 1.6.1 Scheme of Amalgamation duly initialled by the Company Secretary for the purpose of Identification;
 - 1.6.2 Certificate from the Statutory Auditors i.e. BSR & Co. LLP (upto June 27, 2017) and Deloitte Haskins & Sells LLP dated October 20, 2016 stating that since there is no change in shareholding pattern of the Company pursuant to the Scheme, no valuation process is applicable to the proposed Scheme (**"Auditor Certificate"**);
 - 1.6.3 Fairness Opinion dated October 24, 2016 prepared by Ernst & Young Merchant Banking Services Pvt. Ltd., an Independent Category-I Merchant Banker, certifying that the Auditor Certificate is fair and reasonable (**"Fairness Opinion"**); and
 - 1.6.4 Report of the Audit Committee of the Board of Directors of the Company, dated October 24, 2016.

2. Effect of the Scheme of Amalgamation on equity shareholders (Promoter and Non-Promoter Shareholders) of the Company:

- 2.1 The Scheme provides for the transfer of the entire business of APIL to, and vesting thereof in, the Company, as a "going concern and the subsequent dissolution of APIL without being wound-up.
- 2.2 The entire share capital of APIL is held by the Company. Hence, upon the Scheme becoming effective, all shares held by the Company in the share capital of APIL shall stand cancelled. In lieu thereof, no allotment of any new shares or any payment shall be made to any person whatsoever. As there is no issue of shares of the Company pursuant to the Scheme, there would be no change in the pre and post scheme shareholding pattern and capital structure of the Company solely pursuant to the Scheme coming into effect.
- 2.3 As far as the equity shareholders are concerned (promoter shareholders as well as non-promoter shareholders), there will be no dilution in their shareholding in the Company.

3. Effect of the Scheme of Amalgamation on Directors and Key Managerial Personnel of the Company:

- 3.1 The Scheme is not expected to have any effect on the Directors and Key Managerial Personnel of the Company. Further, no change in the Board of Directors of the Company is envisaged on account of the Scheme.
- 3.2 The directors holding shares of the Company do not have any other interest in the Scheme otherwise than that as shareholders in general. Further, none of the Key Managerial Personnel and relatives of the Directors of the Company is concerned or interested, financial or otherwise in the proposed Scheme. Save as aforesaid, none of the Directors of the Company have any material interest in the proposed Scheme.

4. Valuation:

The Statutory Auditors of the Company i.e. BSR & Co. LLP (upto June 27, 2017) and Deloitte Haskins & Sells LLP had issued a certificate dated October 20, 2016 stating that since there is no change in shareholding pattern of the Company pursuant to the Scheme, no valuation process is applicable to the proposed Scheme. Therefore, the question of any special valuation difficulties does not arise.

Sd/-
Ashwin Choksi
DIN : 00009095
Chairman Appointed for the Meeting

Date : July 25, 2017
Place : Mumbai

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ASIAN PAINTS LIMITED

CIN: L24220MH1945PLC004598

Registered Office: 6A, Shantinagar, Santacruz (East), Mumbai – 400 055, Maharashtra

Tel No.: 022 - 6218 1000 **Fax No.:** 022 - 6218 1111

Email: investor.relations@asianpaints.com **Website:** www.asianpaints.com

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT MUMBAI
COMPANY SCHEME APPLICATION NO. 713 OF 2017

In the matter of the Companies Act, 2013;

And

In the matter of application under Section 230–232 and 234 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Scheme of Amalgamation of Asian Paints (International) Limited (**‘Transferor Company’**) with Asian Paints Limited (**‘Applicant Company’** or **‘Transferee Company’** or **‘Company’**).

Asian Paints Limited [CIN: L24220MH1945PLC004598], a)
company incorporated under the Companies Act, 1913)
having its registered office at 6A, Shantinagar, Santacruz)
(East), Mumbai – 400 055)

... Applicant Company

PROXY FORM

Name of the Member(s)	:	
Registered address	:	
E-mail Id	:	
Folio No./ Client ID No.	:	
DP ID No.:	:	

I/We, being the member(s) of _____ Shares of Asian Paints Limited, hereby appoint:

- Name: _____ Email Id: _____
Address: _____
Signature: _____ Or failing him;
- Name: _____ Email Id: _____
Address: _____
Signature: _____ Or failing him;
- Name: _____ Email Id: _____
Address: _____
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 Equity Shareholders convened by the Hon'ble National Company Law Tribunal, Mumbai Bench to be held on Thursday, September 14, 2017 at 11 a.m. at Patkar Hall, Nathibai Thackersey Road, New Marine Lines, Mumbai – 400 020 and at any adjournment or adjournments thereof in respect of such resolution as is indicated below:

Resolution No.	Resolution
1.	Approval of Scheme of Amalgamation of Asian Paints (International) Limited with Asian Paints Limited

Signed this _____ day of _____ 2017

Affix
Revenue
Stamp

Signature of the Shareholder(s) _____ Signature of Proxy holder(s) _____

Notes: 1. **This Form in order to be effective should be duly completed and deposited at the Registered Office of the Applicant Company at 6A, Shantinagar, Santacruz (East), Mumbai - 400 055, not later than 48 hours before the commencement of the Meeting.**

2. A Proxy need not be a member of the Applicant Company.
3. For the Resolution, Explanatory Statement and Notes, please refer to the Notice of the Meeting of the Equity Shareholders of the Applicant Company.

**ASIAN PAINTS LIMITED**

CIN: L24220MH1945PLC004598

Registered Office: 6A, Shantinagar, Santacruz (East), Mumbai – 400 055, Maharashtra**Tel No.:** 022 - 6218 1000 **Fax No.:** 022 - 6218 1111**Email:** investor.relations@asianpaints.com **Website:** www.asianpaints.com**MEETING CONVENED BY THE NATIONAL COMPANY LAW TRIBUNAL OF THE EQUITY SHAREHOLDERS ON
THURSDAY, SEPTEMBER 14, 2017 AT 11 A.M.**

Folio No.:	DP ID No.:	Client ID No.:

I/ We hereby record my/our presence at the Meeting of the Equity Shareholders of the Applicant Company, convened pursuant to an Order dated Thursday July 27, 2017 of Hon'ble National Company Law Tribunal, Mumbai Bench held on Thursday, September 14, 2017 at 11 a.m. at Patkar Hall, Nathibai Thackersey Road, New Marine Lines, Mumbai – 400 020.

Name & Address of the Equity Shareholder(s)	:	
Folio No/ DP ID/ Client ID No	:	
No of Shares held	:	
Name of Proxy Holders/ Authorised Representative	:	
Signature	:	

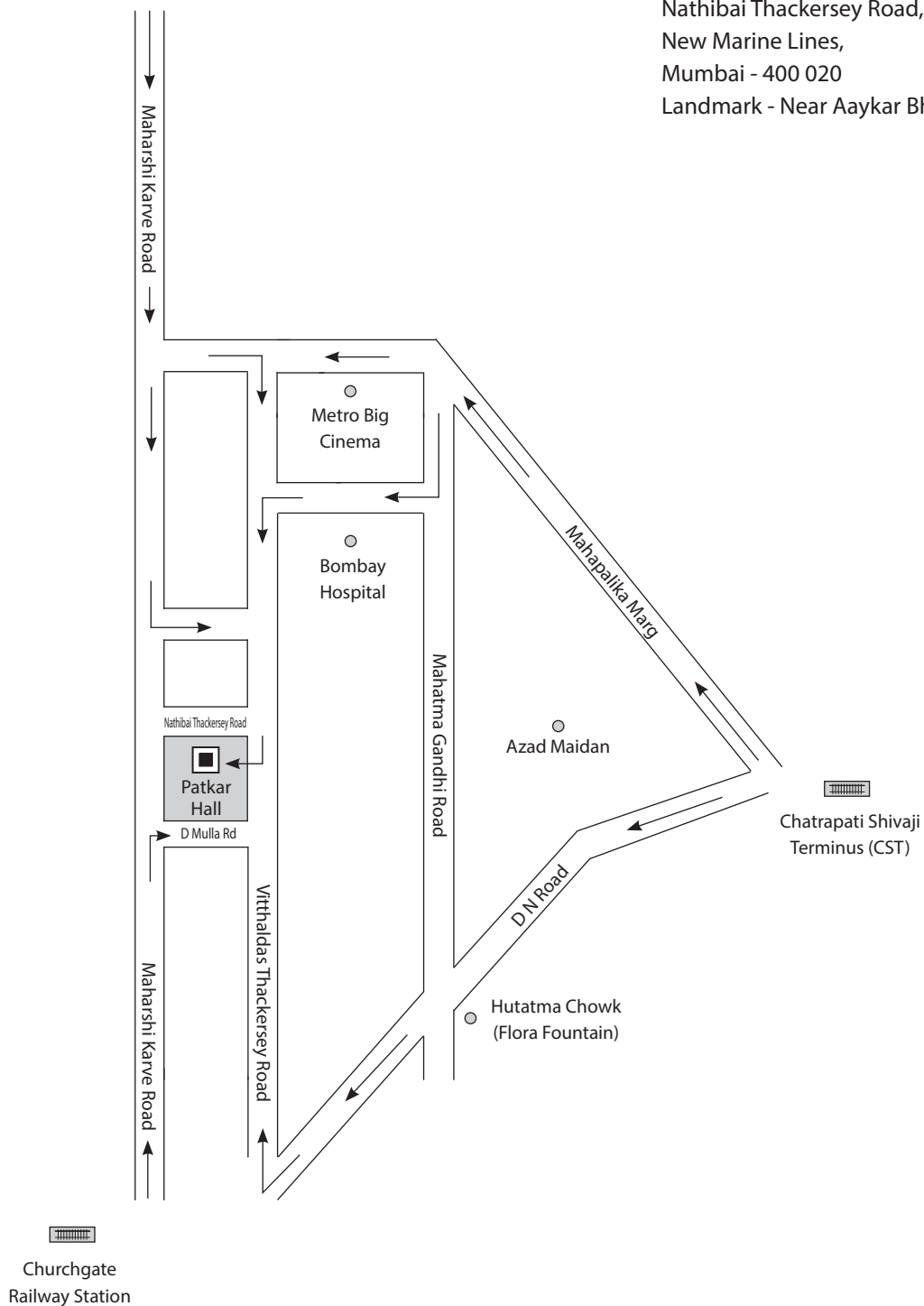
- Notes: 1. Only Member(s)/Proxy holder(s) can attend the Meeting.
2. Please complete the Folio No. /DP ID No. Client ID No. and name of the Member/Proxy holder sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxy holder attending the meeting should bring copy of the Notice for reference at the meeting.

Route Map to the Venue of the Meeting


Marine Lines
Railway Station



Patkar Hall
Nathibai Thackersey Road,
New Marine Lines,
Mumbai - 400 020
Landmark - Near Aaykar Bhavan




Churchgate
Railway Station



Asian Paints Limited

CIN: L24220MH1945PLC004598

Registered Office: 6A, Shantinagar, Santacruz (East), Mumbai - 400 055

Email: investor.relations@asianpaints.com Website: www.asianpaints.com

Tel No.: 022 6218 1000 Fax No.: 022 6218 1111

BALLOT FORM

1. Name(s) and Registered Address of the Sole / First named Member :
2. Name(s) of Joint Holder(s), if any :
3. Registered Folio Number / DP ID No. and Client ID No. (Applicable to investors holding shares in dematerialized form) :
4. Number of shares held :
5. REVEN (Remote e-Voting Event Number) :
6. User-ID :
7. Password :
8. I/We hereby exercise my/our vote(s) in respect of the Resolution enumerated below by recording, my/ our assent or dissent to the said Resolution by placing the tick (✓) mark in the appropriate box below:

Particulars	No. of Shares held	FOR	AGAINST
		I/We assent to the Resolution	I/We dissent to the Resolution
Approval of Scheme of Amalgamation of Asian Paints (International) Limited with Asian Paints Limited			

Place:

Date:

(Signature of the Shareholder)