

**Company Application No.391 of 2016
In the High Court at Calcutta
Original Jurisdiction**

In the Matter of:

The Companies Act, 1956.

And

In the Matter of:

An application under Sections 391(1) and 393 of the said Act.

And

In the Matter of:

Dhunseri Petrochem Limited, a Company incorporated under the provisions of the Companies Act, 1913 and being a Company within the meaning of the Companies Act, 2013, having its registered office at 'Dhunseri House', 4A, Woodburn Park, Kolkata 700 020 within the aforesaid jurisdiction.

And

Dhunseri Petglobal Limited, a Company incorporated under the provisions of the Companies Act, 2013, having its registered office at 'Dhunseri House', 4A, Woodburn Park, Kolkata 700 020 within the aforesaid jurisdiction.

1. Dhunseri Petrochem Limited

2. Dhunseri Petglobal Limited

..... Applicants

NOTICE CONVENING MEETING

To The Equity Shareholders of Dhunseri Petrochem Limited

TAKE NOTICE that by an order made on the 17th day of May, 2016, the Hon'ble High Court at Calcutta has directed that a meeting of the Equity Shareholders of Dhunseri Petrochem Limited, being the Applicant Company No.1 abovenamed (hereinafter referred to as "DPL") be held at "Kala Kunj", Sangit Kala Mandir, 48, Shakespeare Sarani, Kolkata 700 017 on Wednesday, the 22nd day of June, 2016 at 11:00 A.M. for the purpose of considering and if thought fit, approving, with or without modification, the Scheme of Arrangement proposed to be made between DPL and Dhunseri Petglobal Limited and their respective shareholders.

TAKE FURTHER NOTICE that in pursuance of the said order a meeting of Equity Shareholders of DPL will be held at "Kala Kunj", Sangit Kala Mandir, 48, Shakespeare Sarani, Kolkata 700 017 on Wednesday, the 22nd day of June, 2016 at 11:00 A.M. when you are requested to attend.

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you, is deposited at the registered office of DPL, as aforesaid, not later than 48 hours before the meeting.

The Court has appointed Mr. Biswabrata Basu Mallick, Advocate, Bar Association, Room No.15, and failing him Mr. Sauvik Nandy, Advocate, Bar Association, Room No.15, to be the Chairperson of the said meeting of the Equity Shareholders of DPL.

A copy each of the said Scheme of Arrangement; the Statement under Section 393 of the Companies Act, 1956; observation letters of stock exchanges; complaints' report; Statement (unaudited) of Assets and Liabilities of the Transferred Business as on 1st April, 2016; and a form of Proxy are enclosed herewith.

Dated this 20th day of May, 2016.

Sd/- Biswabrata Basu Mallick

CHAIRPERSON APPOINTED FOR THE MEETING

[NOTE : All alterations made in the form of proxy should be initialled.]

Drawn by :

For Khaitan & Co

Sd/-

Aniket Agarwal

Advocates for Applicants

1B, Old Post Office Street,

Kolkata 700 001.

Settled by :

Sd/-

Sumit Das Sarkar (19/05/2016)

Assistant Registrar (Company),

High Court, O.S. Calcutta.

**Company Application No.391 of 2016
In the High Court at Calcutta
Original Jurisdiction**

In the Matter of:

The Companies Act, 1956.

And

In the Matter of:

An application under Sections 391(1) and 393 of the said Act.

And

In the Matter of:

Dhunseri Petrochem Limited, a Company incorporated under the provisions of the Companies Act, 1913 and being a Company within the meaning of the Companies Act, 2013, having its registered office at 'Dhunseri House', 4A, Woodburn Park, Kolkata 700 020 within the aforesaid jurisdiction.

And

Dhunseri Petglobal Limited, a Company incorporated under the provisions of the Companies Act, 2013, having its registered office at 'Dhunseri House', 4A, Woodburn Park, Kolkata 700 020 within the aforesaid jurisdiction.

1. Dhunseri Petrochem Limited

2. Dhunseri Petglobal Limited

..... Applicants

STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. The accompanying notice has been sent for convening a meeting of the Equity Shareholders of Dhunseri Petrochem Limited, being the Applicant Company No.1 abovenamed (hereinafter referred to as "DPL") for the purpose of considering and if thought fit, approving, with or without modification, the Scheme of Arrangement proposed to be made between DPL and Dhunseri Petglobal Limited, being the Applicant Company No.2 abovenamed (hereinafter referred to as "DPGL") and their respective shareholders whereby and whereunder it is proposed to reorganise and reconstruct DPL by transferring the polyethylene terephthalate ("PET Resin") business of DPL, as specified in the said Scheme of Arrangement, to DPGL together with the assets and liabilities of DPL relating to such business (hereinafter also referred to as "the Transferred Business"). The rest of the assets, business and liabilities shall continue to remain with DPL. The salient features of the Scheme of Arrangement are given in paragraph 4 of this Statement. The detailed terms of the reconstruction will appear from the enclosed draft of the Scheme.
2. The circumstances and/or reasons and/or grounds that have necessitated and/or justify the said Scheme of Arrangement are, inter alia, as follows :-
 - (a) DPL is a well-established concern carrying on the business of manufacturing PET Resin at its plant in Haldia in the State of West Bengal and selling the same in the domestic and international market. In addition DPL also carries on treasury operations in shares and securities of other bodies corporate and has interest in PET Resin business in Egypt through its subsidiary, namely Egyptian Indian Polyester Company S.A.E., and business of developing and providing infrastructure facilities in IT/ITES Special Economic Zone in Bantala in the State of West Bengal through another subsidiary, namely Dhunseri Infrastructure Limited.
 - (b) The PET Resin business of DPL in India presently has a capacity of 4,80,000 metric tonnes (MT). PET Resin is used extensively in packaging of fast moving consumer goods. The average consumption per head per annum of PET Resin is only 0.6 kilogramme in India as compared to 2.6 kilogramme in China and 10.9 kilogramme in USA. Although the said capacity of the PET Resin business of DPL constitutes about 25% of the total installed capacity for such product in India, the said business is still relatively small as compared to the total present and expected size of such business in India as also size of business considered adequate for being competitive globally and in the long run. Such business has good potential for growth and development.

- (c) The considerations and factors applicable to the Remaining Business of DPL, are however different and divergent from the PET Resin business constituted in the Transferred Business of DPL. In order to realise the potential and opportunity existing in the said business collaboration with a well-established world leader in such business having a global footprint was considered desirable. Indorama Ventures Public Company Limited (“IVL”), one of the world’s leading petrochemical producers, has agreed to collaborate with DPL and jointly develop the said PET Resin business of DPL and take a 50% equity stake in such business for a total consideration of Rs.418.76 crores through investment by IVL’s wholly owned subsidiary, namely Indorama Ventures Global Services Limited or any other affiliate of IVL as determined by IVL. Indorama Ventures Global Services Limited or such other affiliate of Indorama shall hereinafter be referred to as “IVGS”. IVL and its subsidiaries/ joint ventures are the largest producers of PET Resin in the world having 59 production facilities in 20 countries with a combined manufacturing capacity of 3.8 million tonnes of PET Resin. Further, DPL has agreed to acquire from IVGS a 50% equity stake in Micro Polypet Private Limited, another company manufacturing PET Resin in India with a capacity of 2,16,000 tonnes of PET Resin at its plant in Panipat District in the State of Haryana, for a total consideration of Rs.110.65 crores subject to adjustments. Consequent to such acquisition IVGS and DPL will each have an equal 50% equity stake in the said Micro Polypet Private Limited.
- (d) In the circumstances it is considered desirable and expedient to reorganise and reconstruct DPL by transferring its Transferred Business, as described in the said Scheme of Arrangement, to DPGL in the manner and on the terms and conditions stated in the said Scheme of Arrangement.
- (e) DPGL was incorporated recently with the object, inter alia, of carrying on the business of manufacture of PET Resin. Consequent to the reconstruction, the Transferred Business and the Remaining Business of DPL will be constituted in and owned by two separate entities, DPGL and DPL respectively, with each entity being capable of independent evaluation and having their own management and administrative set up. The same will result in the Transferred Business and Remaining Business being conducted and carried on by DPGL and DPL respectively more conveniently and advantageously with greater focus, attention and specialisation and facilitate the considerations and factors peculiar to the said businesses to be addressed more effectively by the said Companies.
- (f) The aforesaid reconstruction is necessary and will enable induction of a suitable strategic and financial partner in the Transferred Business, in DPGL as aforesaid. Subject to sanction of the Scheme by the Hon’ble High Court at Calcutta and completion of formalities, IVGS has agreed to take a 50% Equity stake in the said business in DPGL. IVGS has agreed to contribute a sum of Rs.418.76 crores for acquiring such 50% equity stake as stated aforesaid.
- (g) The joint venture in DPGL will benefit from the local skills, knowledge, established base and expertise of DPL in the Transferred Business and strategic location of the PET Resin Plant near Haldia port, being the largest port in North Eastern India, combined with the global presence, expertise, experience, technological leadership, global market reach and high utilisation rates of IVL. Such joint venture will strengthen and fortify the position of DPGL to grow the Transferred Business and become a larger and more efficient producer of PET Resin, with substantial savings in cost of procurement of raw materials, lower cost of production and better capacity to market and sell its products both in the domestic and international market. The products of DPGL will be marketed and sold with trademarks owned by DPL (‘Aspet’) and IVL (‘Ramapet’). The said business in DPGL will thus also benefit immensely from such branding of its products.
- (h) In terms of the Scheme DPGL will issue and allot to DPL 2,84,75,000 Optionally Convertible Debentures of Rs.100/- each in DPGL credited as fully paid up and aggregating to Rs.284,75,00,000/- in exchange of the Transferred Business. Further, in terms of the said agreement with IVGS the said 50% Equity stake in DPGL will be acquired by IVGS subscribing to 2,00,00,000 Equity Shares of Rs.10/- each in DPGL at a premium of Rs. 199.38 per share for a total price of Rs.418.76 crores. Part of the proceeds of the said subscription by IVGS, i.e a sum of Rs. 284,75,00,000/- will be utilised by DPGL to redeem the said Debentures in terms of the said Scheme.
- (i) The aforesaid arrangement will result in substantial cash inflows in the Transferred Business and Remaining Business for achieving and generating growth and development thereof and will also unlock the capital value of DPL.
- (j) The arrangement is necessary for ensuring long term profitability and independent and optimum growth and development of the said businesses and undertakings on the basis of their own strengths and prospects and will facilitate realisation of their potential to a fuller extent.

- (k) The arrangement will enable DPGL to engage in business with an established undertaking and is proposed to the advantage of both the companies, their shareholders, employees and all concerned.

3. INCORPORATION, BUSINESS, SHARE CAPITAL AND FINANCIAL POSITION OF THE APPLICANT COMPANIES:-

A. DPL:

- (a) DPL was incorporated on the 11th day of May, 1916 under the provisions of the Indian Companies Act, 1913 as a Company limited by shares by the name and style of "Dhunseri Tea Company Limited". The name of DPL has changed from time to time. With effect from the 9th day of September, 2014, the name of DPL was changed to its present one. DPL is presently engaged primarily in the business of manufacturing PET Resin. In addition DPL also carries on treasury operations in shares and securities of other bodies corporate and has interest in PET Resin business in Egypt and business of developing and providing infrastructure facilities in IT/ITES Special Economic Zone in Bantala, West Bengal.
- (b) The Authorised Share Capital of DPL is Rs.351,22,00,000/- divided into 35,12,20,000 Equity Shares of Rs.10/- each. The Issued, Subscribed and Paid Up Share Capital of DPL is Rs.35,03,28,540/- divided into 3,50,24,754 Equity Shares of Rs.10/- each fully paid up and a sum of Rs.81,000/- originally paid up on forfeited Equity Shares.
- (c) As on the date of filing of the instant Company Application on 13 May, 2016, the annual accounts of DPL had been last audited as at March 31, 2015 and DPL, being a listed company, had also published its financial results in accordance with the Listing Agreements with the stock exchanges for the quarters ended 30th June 2015, 30th September 2015 and 31st December 2015, including statement of assets and liabilities as at the half year ended on 30th September, 2015. DPL has not issued any debentures. The following summary extracted from the said statement of assets and liabilities as at 30th September, 2015 indicates the financial position of DPL as on the said date as follows:-

Particulars	Rs. in Crores
A. Paid up Share Capital	35.03
B. Reserves and Surplus	544.67
Net Shareholders Fund (A+B)	579.70
C. Assets	
Non Current Assets	1,000.11
Current Assets	1238.86
Total (C)	2,238.97
D. Liabilities	
Non-Current Liabilities	586.48
Current Liabilities	1,072.79
Total (D)	1,659.27
Excess of Assets over Liabilities (C – D)	579.70

- (d) Subsequent to the date of the aforesaid statement of assets and liabilities as at 30th September 2015, there has been no substantial change in the financial position of DPL excepting those arising or resulting from the usual course of business. In accordance with the listing agreements, DPL will also be approving and publishing on 24th May, 2016 its financial results for the financial year ended on 31st March, 2016. Such financial results and the aforesaid earlier financial statements and financial results of DPL shall be available for inspection in terms of paragraph 12 herein below.

B. DPGL:

- (a) DPGL was incorporated recently on the 29th day of September, 2015 under the provisions of the Companies Act, 2013 with the object, inter alia, of carrying on the business of manufacture of PET Resin. Pursuant to the Scheme of Arrangement herein being effective, DPGL will undertake such business.
- (b) The Authorised Share Capital of DPGL is Rs.20,00,00,000/- divided into 2,00,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed, and Paid up Share Capital of DPGL presently is Rs.20,00,00,000/- divided into 2,00,00,000 Equity

Shares of Rs.10/- each, 1,99,99,900 Equity Shares of DPGL constituting 99.99% of the total Issued, Subscribed and Paid up Share Capital of DPGL are held by DPL. Accordingly, DPGL is presently a subsidiary of DPL.

- (c) Being a new Company, the financial statements of DPGL have not yet been drawn up and audited. Apart from its Paid up Share Capital of Rs.20,00,00,000/- DPGL has not raised any other funds. A small part of its funds have been used in meeting preliminary and miscellaneous expenditure while the balance has been placed in fixed deposit with a Bank.

4. SALIENT FEATURES OF THE SCHEME :-

The salient features of the Scheme of Arrangement are summarised for your convenience as follows :-

- (a) The Scheme shall be operative from **the Appointed Date, i.e. the 1st day of April, 2016.**

- (b) "The Act" is defined in the Scheme as follows:-

"Act" means the Companies Act, 1956 or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the Boards of Directors of DPL and DPGL, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956, unless stated otherwise. Upon such provisions of the Companies Act, 1956 standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted.

- (c) In terms of Clause 16, the Scheme is conditional upon and subject to:

- i. Approval of the Scheme by the members of DPL and DPGL;
- ii. Approval of the Scheme by the Stock Exchanges where DPL is listed;
- iii. The Scheme being approved or deemed to be approved by the Competition Commission of India; and
- iv. Sanction of the Scheme by the Hon'ble High Court at Calcutta.

Accordingly, the Scheme although operative from the Appointed Date shall become effective on **the Effective Date**, being the date or last of the dates on which all the approvals and sanction are attained as above and certified copies of the order of the Hon'ble High Court at Calcutta sanctioning the Scheme are filed with the Registrar of Companies.

- (d) On the approval of the Scheme by the members of DPL and DPGL pursuant to Section 391 of the Companies Act, 1956, it shall be deemed that the said members have also accorded all relevant consents under any other provisions of the Companies Act, 1956 and the Companies Act, 2013, including Section 62(1)(c) of the Companies Act, 2013, to the extent the same may be considered applicable.
- (e) With effect from the Appointed Date, the Transferred Business of DPL, including all assets, property, rights and powers as well as all debts, liabilities, duties and obligations of DPL relating to the same, shall stand transferred to DPGL in the manner and subject to the modalities for transfer and vesting detailed in the Scheme.
- (f) The transfer and vesting of the Transferred Business of DPL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets of the Transferred Business or any part thereof, provided however that such charges, mortgages and/ or encumbrances shall be confined only to the assets of DPL or part thereof on or over which they are subsisting on transfer to and vesting of such assets in DPGL and relate to the debts or liabilities of the Transferred Business.
- (g) DPGL undertakes to engage all the employees of DPL engaged in the Transferred Business on the Effective Date on the same terms and conditions on which they are engaged by DPL without treating it as a break, discontinuance or interruption of service on the said date as a result of the transfer of the Transferred Business to DPGL. Accordingly, the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with DPL. It is expressly provided that the contributions in respect of Provident Funds, Gratuity Funds, Superannuation Fund or any other Fund or Funds created or existing for the benefit of the employees of the Transferred Business, as applicable, of DPL shall be continued to be deposited by DPGL in the

existing Funds with the approval of the concerned authorities and arrangements being made in this regard with the administrators of the said Funds, as may be required. DPGL shall stand substituted for DPL in relation to the obligation to make contributions in respect of the said employees to the said Funds in accordance with the provisions thereof to the end and intent that all rights, duties, powers and obligations of DPL with respect to such employees and in relation to such Funds shall become those of DPGL. Alternatively, the accumulated balances standing to the credit of the employees of the Transferred Business in the said Funds of which they are members will be transferred to such Funds nominated by DPGL and/or such new Funds to be established and caused to be recognised by the concerned authorities by DPGL. Pending such transfer the dues of the employees of the Transferred Business relating to the said Funds would be continued to be deposited in the existing Funds.

- (h) All proceedings pending by or against DPL and relating to the Transferred Business of DPL and all contracts, deeds, bonds, agreements, engagements and other instruments of whatsoever nature relating to the Transferred Business to which DPL is a party or to the benefit of which DPL may be eligible will be transferred to DPGL and will be enforceable by or against DPGL.
- (i) With effect from the Appointed Date and up to and including the Effective Date:
 - i. DPL shall carry on and be deemed to have carried on all business and activities relating to the Transferred Business for and on account of and in trust for DPGL.
 - ii. All profits accruing to DPL (including taxes paid thereon) or losses arising or incurred by it relating to the Transferred Business for the period falling on and after the Appointed Date shall for all purposes, be treated as the profits (including taxes paid) or losses, as the case may be, of DPGL.
 - iii. DPL shall be deemed to have held and stood possessed of the properties to be transferred to DPGL for and on account of and in trust for DPGL.
- (j) It is clarified that all the taxes and duties payable by DPL, relating to the Transferred Business, from the Appointed Date onwards and up to the Effective Date, including all advance tax payments, tax deducted at source, tax liabilities or any refunds and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of DPGL. Accordingly, upon the Scheme becoming effective, DPL is expressly permitted to revise and DPGL is expressly permitted to file their respective income tax returns including tax deducted at source certificates, sales tax/ value added tax returns, excise returns, service tax returns and other tax returns, and to claim refunds/ credits, pursuant to the provisions of the Scheme.
- (k) All assets (including fixed assets, current assets, cash and bank balances etcetera) acquired by DPL after the Appointed Date and prior to the Effective Date for operation of the Transferred Business or pertaining to the Transferred Business shall be deemed to have been acquired for and on behalf of DPGL.
- (l) All loans raised and/ or used and all liabilities and obligations incurred by DPL for the operations of the Transferred Business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of DPGL. All loans, liabilities and obligations of DPL relating to the Transferred Business which have been discharged by DPL after the Appointed Date and prior to the Effective Date shall be deemed to have been discharged for and on account of DPGL.
- (m) Upon the Scheme coming into effect and without further application, act or deed, DPGL shall, in consideration of transfer of the Transferred Business, issue and allot to DPL, 2,84,75,000 Optionally Convertible Debentures of Rs.100/- each ("Debentures") in DPGL credited as fully paid up. The Scheme will accordingly result in slump exchange between DPL and DPGL of ownership of Transferred Business for ownership of such Debentures.
- (n) The terms applicable to the said Debentures shall be as follows:-
 - i. **Issue price:** At face value of Rs.100/- per Debenture.
 - ii. **Redemption:** The Debentures shall be redeemed at par with issue price simultaneously with the new Equity Shares in DPGL being subscribed by IVGS pursuant to transfer of the Transferred Business as mentioned in clause 3.vi of the Scheme. If such new Equity Shares in DPGL are not subscribed for any reason whatsoever by IVGS within a period of 9 (Nine) months from the Effective Date, the said Debentures shall at the option of the Debenture holders

be redeemable in cash at par at any time after expiry of a period of 9 (nine) months from the date of their allotment ("Issue Date") and not later than a period of 5 (five) years from the Issue Date.

- iii. **Conversion:** Alternatively, and if not redeemed simultaneously with the new Equity Shares in DPGL being subscribed by IVGS as aforesaid, the Debentures shall be convertible into Equity Shares in DPGL at the option of the Debentureholder at any time after expiry of a period of 2 (Two) years from the Issue Date. The conversion price of the Debentures into Equity Shares shall be based on the fair value of the equity shares at the time of conversion. The Equity Shares resulting from such conversion shall rank pari passu in all respects with the Equity Shares of DPGL existing at the time of conversion. It is clarified that failing such exercise of option, the Debentures shall be redeemed at par no later than a period of 5 (five) years from the Issue Date.
 - iv. **Coupon rate :** The Debentures shall carry interest at the rate of 9% (Nine Percent), due and payable on a yearly basis from the date of issue, provided that such interest will accrue only after the expiry of a period of 12 (Twelve) months from the Issue Date subject to consent of lenders.
 - v. **Other terms :** It shall not be necessary to create any security for redemption of the Debentures or appoint debenture trustees unless otherwise agreed between DPGL and the Debentureholders. The Debentures shall be subject to the Memorandum and Articles of Association of DPGL, including variation of terms in accordance with law.
- (o) Upon the Scheme becoming effective, the Authorised Share Capital of DPGL shall be increased to Rs.40,00,00,000/- divided into 4,00,00,000 Equity Shares of Rs.10/- each and Clause V of the Memorandum of Association of DPGL shall be altered accordingly.
 - (p) All assets and liabilities of the Transferred Business shall be recorded in the books of account of DPGL at their values as appearing in the books of account of DPL as on the Appointed Date. The Debentures issued by DPGL and the difference, if any, between the book value of the assets and liabilities of the Transferred Business and such Debentures shall be accounted for in the books of account of DPGL in accordance with the Accounting Standards and/or generally accepted accounting principles, as applicable. For the purpose aforesaid, a balance sheet of the Transferred Business as on the Appointed Date ("Reference Balance Sheet") shall be drawn up on the basis of books of account of DPL pursuant to sanction of the Scheme. A statement (unaudited) of Assets and Liabilities of the Transferred Business as on 1st April, 2016 is enclosed herewith.
 - (q) The Debentures issued by DPGL in slump exchange of the Transferred Business and the difference, if any, between the book value of the assets and liabilities of the Transferred Business and such Debentures, shall be accounted for in the books of account of DPL in accordance with the Accounting Standards and/or generally accepted accounting principles, as applicable.
 - (r) Subject to the aforesaid, the Board of Directors of DPL and DPGL shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in accounting for the reconstruction in the respective books of account of the said Companies.
 - (s) Save and except the Transferred Business of DPL and as expressly provided in the Scheme of Arrangement nothing contained in the Scheme of Arrangement shall affect the Remaining Business of DPL which shall continue to belong to and be vested in and be managed by DPL. The Remaining Business means all the business of DPL other than the Transferred Business and all property, rights and powers and all debts, liabilities, duties and obligations of DPL not comprised in and/ or relating to the Transferred Business. Without prejudice to the generality of the foregoing, the same includes the treasury operations of DPL and all investments in shares and securities of other bodies corporate excepting HIDAL; all interest, of DPL in PET Resin business in Egypt through its subsidiary, Egyptian Indian Polyester Company S.A.E. ("EIPET"), including investment in shares of EIPET and any direct or indirect liability or obligation relating to such business in Egypt; all interest of DPL in business of developing and providing infrastructure facilities in Special Economic Zone for information technology and information technology enabled services ("IT/ITES") in Bantala in the State of West Bengal through another subsidiary, namely Dhunseri Infrastructure Limited; and registered office in Kolkata and corporate office and residential flat in Mumbai.
 - (t) DPGL shall be at liberty to convert itself into a private company and/or change its name suitably consequent to the Scheme and joint venture between DPL and IVGS as may be resolved by the shareholders of DPGL in general meeting of DPGL. Similarly, DPL shall also be at liberty to change its name suitably pursuant to the Scheme.

- (u) DPL and DPGL (by their respective Board of Directors or Committee thereof or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:
- i. to assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble High Court at Calcutta and/ or any authorities under law may deem fit to approve or direct or which may be considered necessary due to any change in law or as may be deemed expedient or necessary; and
 - ii. to settle all doubts or difficulties that may arise in carrying out the Scheme and to do and execute all acts, deeds, matters and things on behalf of the companies, necessary, desirable or proper for putting the Scheme into effect, including entering into transitional arrangements; arrangements for carrying out or performing all such formalities or compliances as may be deemed proper and necessary for effecting transfer and vesting of the properties of the Transferred Business; and deciding any question that may arise as to whether whole or part of a specific asset or liability pertains or does not pertain or arises out of the activities or operations of such Transferred Business or is to be recorded in the Reference Balance Sheet of the Transferred Business or whether a specific employee is or is not substantially engaged in relation to such Transferred Business.
 - iii. Without prejudice to the generality of the foregoing, DPL and DPGL (by their respective Board of Directors or Committee thereof or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from the Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.
5. The Board of Directors of DPL and DPGL, including the Audit Committee of DPL, have at their respective meetings by resolutions passed unanimously, approved the said Scheme of Arrangement.
 6. No compromise or arrangement is proposed with any creditors of DPL and DPGL. The aggregate assets of DPGL and Transferred Business of DPL are more than sufficient to meet their aggregate liabilities. The remaining assets of DPL are also more than sufficient to meet its remaining liabilities and the said Scheme will not adversely affect the rights of any of the creditors of DPL and DPGL in any manner whatsoever and due provisions have been made for payment of all liabilities as and when the same fall due in usual course.
 7. There are no proceedings pending under Sections 235 to 251 of the Companies Act, 1956 or Sections 210 to 227 of the Companies Act, 2013 against DPL or DPGL.
 8. Mr. C. K. Dhanuka, Mr. M. Dhanuka and Mr. R. K. Sharma are common directors of DPL and DPGL. The Shareholdings of the Directors and Key Managerial Personnel ("KMP") of DPL and DPGL and their relatives are as follows :

Name	Equity Shares in DPL	Equity Shares in DPGL
Directors of DPL		
Mr. C. K. Dhanuka (Executive Chairman)	45,520	100(*)
Mr. M. Dhanuka (Vice Chairman and Managing Director and son of Mr. C. K. Dhanuka)	1,15,921	100(*)
Mr. B. Chattopadhyay (Managing Director and Chief Executive Officer)	Nil	Nil
Mr. R. K. Sharma (Executive Director – Finance)	500	100(*)
Mr. P. K. Khaitan (Non-Executive Director)	Nil	Nil
Mr J. P. Kundra (Non-Executive Director)	Nil	Nil
Dr. B. Sen (Non-Executive Director)	Nil	Nil
Mr. R. N. Bhardwaj (Non-Executive Director)	Nil	Nil
Mr. D. P. Jindal (Non-Executive Director)	Nil	Nil
Mr. A. Bagaria (Non-Executive Director)	Nil	Nil
Ms. S. Mookim (Non-Executive Director)	Nil	Nil

Name	Equity Shares in DPL	Equity Shares in DPGL
KMPs of DPL (other than aforesaid Executive Directors)		
Mr. K. V. Balan (Company Secretary and Compliance Officer)	19	Nil
Relatives of Directors and KMPs of DPL		
Relatives of Mr. C. K. Dhanuka and Mr. M. Dhanuka (other than aforesaid shares held by them)	94,510	100(*)
Relative of Mr. B. Chattopadhyay	1,000	Nil
Directors of DPGL		
Mr. C. K. Dhanuka (Non-Executive Director)	45,520	100(*)
Mr. M. Dhanuka (Non-Executive Director and son of Mr. C. K. Dhanuka)	1,15,921	100(*)
Mr. R. K. Sharma (Executive Director and Chief Financial Officer)	500	100(*)
Mr. A. Gupta (Non-Executive Director)	610	Nil
Mr. A. Bhutoria (Non-Executive Director)	Nil	Nil
KMPs of DPGL (other than aforesaid Executive Director)		
Mr. B. Chattopadhyay (Chief Executive Officer)	Nil	Nil
Mr. K. V. Balan (Company Secretary)	19	Nil
Relatives of Directors and KMPs of DPGL		
Relatives of Mr. C. K. Dhanuka and Mr. M. Dhanuka (other than aforesaid shares held by them)	94,510	100(*)
Relative of Mr. B. Chattopadhyay	1,000	Nil
Relatives of Mr. A. Gupta	1,045	Nil

The shares in DPGL indicated against the asterisk (*) mark above are held by the Directors and relatives of Directors of DPGL jointly with and as nominee for DPL, the holding Company of DPGL. Save as aforesaid none of the Directors and Key Managerial Personnel of DPL and DPGL or their relatives, have any material interest in the said Scheme of Arrangement.

9. In consideration of transfer of the Transferred Business, DPGL shall issue and allot to DPL, 2,84,75,000 Optionally Convertible Debentures of Rs.100/- each in DPGL credited as fully paid up in terms of the Scheme. Such consideration has been fixed on a fair and reasonable basis. Messrs Bansi S. Mehta & Co., a reputed firm of Chartered Accountants have given their report confirming the fairness of the said consideration. Further, Microsec Capital Limited, independent Merchant Bankers have by their Fairness Opinion dated 29th February, 2016 also confirmed and concluded that such consideration is fair and proper as under :-

“7. CONSIDERATION FOR TRANSFER

Based on the aforesaid, the Financial Advisor has confirmed the proposed consideration of issue and allotment at par of 2,84,75,000 Optionally Convertible Debentures of Rs. 100/- each credited as fully paid up in DPGL in exchange of transfer of the Undertaking of DPL to DPGL under the Scheme.

8. OPINION ON CONSIDERATION

Based on the information, material and data made available to us, including the Report of the Financial Advisor and the working thereto, in our opinion the said consideration for the arrangement is fair and proper.”

Copy of the aforesaid Report issued by Messrs Bansi S. Mehta & Co., Chartered Accountants and Fairness Opinion issued by Microsec Capital Limited, Merchant Bankers are available for inspection as specified in paragraph 12 herein below.

10. DPGL is an unlisted Company while DPL is a listed Company. DPL is listed on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"). DPL duly filed the Scheme with the Stock Exchanges for their approval pursuant to the listing agreements entered into by it with the Stock Exchanges. Apart from the same, DPL also submitted the Report of its Audit Committee on the Scheme and various other documents to the Stock Exchanges and also displayed the same on its website in terms of the SEBI Circular dated 30th November, 2015 and addressed all queries on the said documents. After submission of the aforesaid application, DPL on review and for larger participation decided to also seek approval of public shareholders by postal ballot/ e-voting in terms of paragraph 9(a) of the SEBI Circular dated 30th November, 2015. The Complaints Report required to be filed in terms of the said circular was also duly filed by DPL. BSE and NSE have since given their 'no-objections' to the Scheme pursuant to the said SEBI circular. Copies of the observation letters dated 12th May, 2016 issued by them in this regard to DPL and copy of the said complaints report filed by DPL with the said Stock Exchanges are enclosed herewith. As required by the Stock Exchanges, condition of approval of Public shareholders of DPL in terms of paragraph 9(a) of SEBI Circular dated 30th November, 2015 has been incorporated and included in Clause 16 of the Scheme. DPL jointly with Indorama Ventures Public Company Limited (IVL) has also filed an application with the Competition Commission of India for their approval in terms of Section 31(1) of the Competition Act, 2002 to the proposed combination between the parties as mentioned in paragraph 2 above. The Scheme is subject to such approval being granted or deemed to be granted under Section 31 of the Competition Act, 2002. The said application is pending.
11. The pre/post-arrangement capital structure and shareholding pattern of DPL and DPGL is given below :

A. Pre-arrangement shareholding pattern of DPL :

A. Pre-arrangement shareholding pattern of DPL						
	Category of Shareholders	Number of Share holders	Total number of Equity shares of Rs. 10/- each	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(A)	Shareholding of Promoter & Promoter Group					
(1)	Indian					
(a)	Individuals/ Hindu Undivided Family	10	914706	914706	2.61	2.61
(b)	Central Government/ State Government(s)	-	-	-	-	-
(c)	Financial Institutions/Banks	-	-	-	-	-
(d)	Any Other (specify):					
	Bodies Corporate	5	22658299	22658299	64.69	64.69
	Sub-Total (A)(1)	15	23573005	23573005	67.30	67.30
(2)	Foreign					
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	-	-	-	-	-
(b)	Government	-	-	-	-	-
(c)	Institutions	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	15	23573005	23573005	67.30	67.30

	Category of Shareholders	Number of Share holders	Total number of Equity shares of Rs. 10/- each	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(B)	Public Shareholding					
(1)	Institutions					
(a)	Mutual Funds / UTI	1	1200	1200	0.00	0.00
(b)	Venture Capital Funds	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-
(f)	Financial Institutions / Banks	16	16803	14617	0.05	0.05
(g)	Insurance Companies	4	2021212	2021212	5.77	5.77
(h)	Provident Funds / Pension Funds	-	-	-	-	-
(i)	Any Other (specify):					
	Foreign Institutional Investors	1	3409	3409	0.01	0.01
	Sub Total (B)(1)	22	2042624	2040438	5.83	5.83
(2)	Central Government / State Government(s) / President of India	2	1175	1000	0.00	0.00
	Sub Total (B)(2)	2	1175	1000	0.00	0.00
(3)	Non-Institutions					
(a)	Individuals					
	i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	23842	4871483	4521873	13.91	13.91
	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	19	934331	934331	2.67	2.67
(b)	NBFCs registered with RBI	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-
(e)	Any Other (specify)					
	Bodies Corporate	432	3252341	3241400	9.29	9.29
	Clearing Member	122	139600	139600	0.40	0.40
	Non Resident Individual	171	96820	93582	0.28	0.28
	Dhunseri Petrochem Ltd. Unclaimed Suspense A/c	1	62517	0	0.18	0.18
	Trusts	4	48376	48221	0.14	0.14
	Foreign National	28	2482	1134	0.00	0.00
	Sub Total (B)(3)	24619	9407950	8980141	26.87	26.87
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	24643	11451749	11021579	32.70	32.70

	Category of Shareholders	Number of Share holders	Total number of Equity shares of Rs. 10/- each	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(C)	Shareholding of Non Promoter - Non Public shareholder					
(1)	Custodian / DR Holder	-	-	-	-	-
(2)	Employee Benefit Trust [under SEBI (Share based Employee Benefit) Regulations, 2014]	-	-	-	-	-
	Total Non Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	-	-	-	-	-
	TOTAL (A) + (B) + (C)	24658	35024754	34594584	100.00	100.00

B. Post-arrangement shareholding pattern of DPL :

No shares are to be issued by DPL in terms of the Scheme. Accordingly there will be no change in the shareholding pattern of DPL consequent to the Scheme.

C. Pre-arrangement shareholding pattern of DPGL:

Pre-arrangement shareholding pattern of DPGL						
	Category of Shareholders	Number of Share holders	Total number of Equity shares of Rs. 10/- each	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(A)	Shareholding of Promoter & Promoter Group					
(1)	Indian					
(a)	Individuals/Hindu Undivided Family	-	-	-	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-
(c)	Financial Institutions/Banks	-	-	-	-	-
(d)	Any Other (specify):					
	Bodies Corporate:					
	Dhunseri Petrochem Limited	1	19999300	-	99.9965	99.9965
	Dhunseri Petrochem Limited with Chandra Kumar Dhanuka	1	100	-	0.0005	0.0005
	Dhunseri Petrochem Limited with Mrigank Dhanuka	1	100	-	0.0005	0.0005
	Dhunseri Petrochem Limited with Rajiv Kumar Sharma	1	100	-	0.0005	0.0005
	Dhunseri Petrochem Limited with Aruna Dhanuka	1	100	-	0.0005	0.0005
	Dhunseri Petrochem Limited with Hari Prasad Bhuwania	1	100	-	0.0005	0.0005
	Dhunseri Petrochem Limited with Mayank Beriwala	1	100	-	0.0005	0.0005
	Sub-Total (A)(1)	7	19999900	-	99.9995	99.9995

	Category of Shareholders	Number of Share holders	Total number of Equity shares of Rs. 10/- each	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(2)	Foreign					
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-
(b)	Government	-	-	-	-	-
(c)	Institutions	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	7	19999900	-	99.9995	99.9995
(B)	Public Shareholding					
(1)	Institutions					
(a)	Mutual Funds / UTI	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-
(f)	Financial Institutions / Banks	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-
(h)	Provident Funds / Pension Funds	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-
	Sub Total (B)(1)	-	-	-	-	-
(2)	Central Government / State Government(s) / President of India	-	-	-	-	-
	Sub Total (B)(2)	-	-	-	-	-
(3)	Non-Institutions					
(a)	Individuals					
	i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	1	100	-	0.0005	0.0005
	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-
(e)	Any Other (specify)					
	Bodies Corporate	-	-	-	-	-
	Clearing Member	-	-	-	-	-
	Non Resident Individual	-	-	-	-	-
	Trusts	-	-	-	-	-
	Foreign Company	-	-	-	-	-
	Foreign National	-	-	-	-	-
	Sub Total (B)(3)	1	100	-	0.0005	0.0005
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	1	100	-	0.0005	0.0005

	Category of Shareholders	Number of Share holders	Total number of Equity shares of Rs. 10/- each	Number of shares held in dematerialised form	Total shareholding as a percentage of total number of shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
(C)	Shareholding of Non Promoter - Non Public shareholder					
(1)	Custodian / DR Holder	-	-	-	-	-
(2)	Employee Benefit Trust [under SEBI (Share based Employee Benefit Regulations, 2014)]	-	-	-	-	-
	Total Non Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	-	-	-	-	-
	TOTAL (A) + (B) + (C)	8	20000000	-	100	100

D. Post-arrangement Shareholding Pattern of DPGL:

In terms of the Scheme 2,84,75,000 Optionally Convertible Debentures of Rs.100/- each ("Debentures") in DPGL credited as fully paid up are to be issued and allotted by DPGL to DPL itself and hence there would be no change in the shareholding pattern of DPGL consequent to such issue and allotment of Debentures to DPL under the Scheme. However, upon IVGS, a foreign company, subscribing to and being allotted further 2,00,00,000 Equity Shares of Rs.10/- each in DPGL as mentioned in paragraph 2 above, such further shares would constitute 50% of the enhanced Equity Share Capital of DPGL and the shareholding pattern of DPGL would change accordingly.

E. The Pre-arrangement capital structure of DPL and DPGL is given in clause 2 of the Scheme. There will be no change in the capital structure of DPL consequent to the Scheme while the Authorised Share Capital of DPGL will increase to Rs.40,00,00,000/- divided into 4,00,00,000 Equity Shares of Rs.10/- each consequent to and in terms of Clause 10.3 of the Scheme.

12. Copies of the following documents are open for inspection at the registered office of DPL between 11.00 A.M. and 1.00 P.M. on any working day:-

- Memoranda and Articles of Association of DPL and DPGL;
- Financial statements and financial results of DPL as referred to in paragraphs 3.A(b) and 3.A(c) above;
- Register of Directors' Shareholdings of DPL and DPGL;
- Report of Messrs Bansi S. Mehta & Co., Chartered Accountants and Fairness Opinion thereon of Microsec Capital Limited, Merchant Bankers;
- Other documents submitted by DPL to the Stock Exchanges and also displayed on the Company's website in terms of the SEBI Circular dated 30th November, 2015, including Report of the Audit Committee of DPGL; and
- Order dated 17th May, 2016 of the Hon'ble High Court at Calcutta.

Drafted by :
For Khaitan & Co
Sd/-
Aniket Agarwal
Advocates for Applicants
1B, Old Post Office Street,
Kolkata 700 001.

Settled by :
Sd/-
Sumit Das Sarkar (19/05/2016)
Assistant Registrar (Company),
High Court, O.S. Calcutta.

**SCHEME OF ARRANGEMENT
BETWEEN
DHUNSERI PETROCHEM LIMITED
AND
DHUNSERI PETGLOBAL LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
FOR
RECONSTRUCTION BY TRANSFER OF TRANSFERRED BUSINESS OF
DHUNSERI PETROCHEM LIMITED TO DHUNSERI PETGLOBAL LIMITED**

PART – I
(Preliminary)

1. Definitions :

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

- i. **“Act”** means the Companies Act, 1956 or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the Boards of Directors of DPL and DPGL, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956, unless stated otherwise. Upon such provisions of the Companies Act, 1956 standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted.
- ii. **“DPL”** means Dhunseri Petrochem Limited, a company incorporated under the provisions of the Companies Act, 1913 and being a Company within the meaning of the Companies Act, 2013, having its registered office at ‘Dhunseri House’, 4A, Woodburn Park, Kolkata 700 020 in the State of West Bengal.
- iii. **“DPGL”** means Dhunseri Petglobal Limited, a company incorporated under the provisions of the Companies Act, 2013, having its registered office at ‘Dhunseri House’, 4A, Woodburn Park, Kolkata 700 020 in the State of West Bengal.
- iv. **“Appointed Date”** means the 1st day of April, 2016.
- v. **“Transferred Business”** means the business of DPL of manufacturing polyethylene terephthalate (“PET Resin”) at its plant in Haldia in the State of West Bengal and selling the same in the domestic and international market as a going concern and shall include all property, rights and powers and all debts, liabilities, duties and obligations of DPL comprised in and/ or relating to the Transferred Business, including :
 - (a) all properties and assets, moveable and immoveable, freehold and leasehold, real and personal, tangible and intangible, corporeal and incorporeal, in possession, or in reversion, present and contingent of whatsoever nature, wheresoever situated, as on the Appointed Date relating to the Transferred Business, including factory land and buildings at Haldia in the State of West Bengal, all other lands and buildings, commercial and residential flats and offices, leases, tenancies and agencies of DPL relating to the Transferred Business, plant and machineries, electrical installations, vehicles, equipments, furnitures, investment in shares of Haldia Integrated Development Agency Limited (“HIDAL”), sundry debtors, inventories, other current assets, cash and bank balances, bills of exchange, deposits, loans and advances and other assets as appearing in the books of account of DPL in relation to the Transferred Business;
 - (b) all other interests or rights in or arising out of or relating to the Transferred Business together with all respective powers, interests, charges, privileges, benefits, entitlements, industrial and other registrations, licenses, quotas, brands and trademarks, patents, copyrights, other intellectual property rights, liberties, easements and advantages, subsidies, grants, taxes, tax credits/ incentives (including but not limited to credits/ incentives in respect of income tax, sales tax,

value added tax, turnover tax, excise duty and service tax but excluding any advance/credit/ refund in respect of entry tax for the period prior to the Appointed Date), and other benefits appertaining to the Transferred Business and/or to which DPL is entitled to in respect of the Transferred Business of whatsoever kind, nature or description held, applied for or as may be obtained thereafter together with the benefit of all respective contracts and engagements relating to the Transferred Business but expressly excluding the proprietary and all other rights in the names and trademarks 'Aspet' and 'Dhunseri' owned by DPL which shall be retained by DPL and only a license to use the same shall be granted by DPL to DPGL on mutually agreed terms ;

- (c) all debts, liabilities, duties and obligations of DPL in relation to the Transferred Business, including liabilities on account of loans, sundry creditors, sales-tax, bonus, gratuity and other taxation and contingent liabilities of DPL relating to the Transferred Business;
 - (d) all employees of DPL engaged in or in relation to the Transferred Business, on the date immediately preceding the Effective Date; and
 - (e) all books, records, files, papers, computer software along with their licenses, manuals and backup copies, drawings, data catalogues, and other data and records, whether in physical or electronic form, directly or indirectly in connection with or relating to the Transferred Business.
- vi. **"Remaining Business"** means all the business of DPL other than the Transferred Business and all property, rights and powers and all debts, liabilities, duties and obligations of DPL not comprised in and/ or relating to the Transferred Business. Without prejudice to the generality of the foregoing, the same shall include the treasury operations of DPL and all investments in shares and securities of other bodies corporate excepting HIDAL; all interest, of DPL in PET Resin business in Egypt through its subsidiary, Egyptian Indian Polyester Company S.A.E. ("EIPET"), including investment in shares of EIPET and any direct or indirect liability or obligation relating to such business in Egypt; all interest of DPL in business of developing and providing infrastructure facilities in Special Economic Zone for information technology and information technology enabled services ("IT/ITES") in Bantala in the State of West Bengal through another subsidiary, namely Dhunseri Infrastructure Limited; and registered office in Kolkata and corporate office and residential flat in Mumbai.
- vii. **"Effective Date"** means the date or last of the dates on which all the approvals and sanction are attained in terms of clause 16 of this Scheme and certified copies of the order of the Hon'ble High Court at Calcutta sanctioning this Scheme are filed with the Registrar of Companies.
- viii. **"Scheme"** means this Scheme of Arrangement under Sections 391 to 394 of the Act in the present form or with such modification(s) as sanctioned by the Hon'ble High Court at Calcutta.
- ix. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.

2. Share Capital :

The Authorised, Issued, Subscribed and Paid-up Share Capital of DPL and DPGL is as under :

i. DPL:

Authorised Share Capital:	(Rs.)
35,12,20,000 Equity Shares of Rs.10/- each	351,22,00,000/-
Issued, Subscribed and Paid up Share Capital:	
3,50,24,754 Equity Shares of Rs.10/- each fully paid up	35,02,47,540/-
Add : Amount paid up on forfeited Equity Shares	81,000/-
	<u>35,03,28,540/-</u>

ii. DPGL:

Authorised Share Capital:	(Rs.)
2,00,00,000 Equity Shares of Rs.10/- each	20,00,00,000/-
Issued, Subscribed and Paid up Share Capital:	
2,00,00,000 Equity Shares of Rs.10/- each	20,00,00,000/-
1,99,99,900 Equity Shares of DPGL constituting 99.99% of the total Issued, Subscribed and Paid up Share Capital of DPGL are held by DPL. Accordingly, DPGL is presently a subsidiary of DPL.	

3. Objects and Reasons:

- i. DPL is a well-established concern carrying on the business of manufacturing polyethylene terephthalate ("PET Resin") at its plant in Haldia in the State of West Bengal and selling the same in the domestic and international market. In addition DPL also carries on treasury operations in shares and securities of other bodies corporate and has interest in PET Resin business in Egypt through its subsidiary, namely Egyptian Indian Polyester Company S.A.E., and business of developing and providing infrastructure facilities in IT/ITES Special Economic Zone in Bantala in the State of West Bengal through another subsidiary, namely Dhunseri Infrastructure Limited.
- ii. The PET Resin business of DPL in India presently has a capacity of 4,80,000 metric tonnes (MT). PET Resin is used extensively in packaging of fast moving consumer goods. The average consumption per head per annum of PET Resin is only 0.6 kilogramme in India as compared to 2.6 kilogramme in China and 10.9 kilogramme in USA. Although the said capacity of the PET Resin business of DPL constitutes about 25% of the total installed capacity for such product in India, the said business is still relatively small as compared to the total present and expected size of such business in India as also size of business considered adequate for being competitive globally and in the long run. Such business has good potential for growth and development.
- iii. The considerations and factors applicable to the Remaining Business of DPL, are however different and divergent from the PET Resin business constituted in the Transferred Business of DPL. In order to realise the potential and opportunity existing in the said business collaboration with a well-established world leader in such business having a global footprint was considered desirable. Indorama Ventures Public Company Limited ("IVL"), one of the world's leading petrochemical producers, has agreed to collaborate with DPL and jointly develop the said PET Resin business of DPL and take a 50% equity stake in such business for a total consideration of Rs.418.76 crores through investment by IVL's wholly owned subsidiary, namely Indorama Ventures Global Services Limited or any other affiliate of IVL as determined by IVL. Indorama Ventures Global Services Limited or such other affiliate of Indorama shall hereinafter be referred to as "IVGS". IVL and its subsidiaries/ joint ventures are the largest producers of PET Resin in the world having 59 production facilities in 20 countries with a combined manufacturing capacity of 3.8 million tonnes of PET Resin. Further, DPL has agreed to acquire from IVGS a 50% equity stake in Micro Polypet Private Limited, another company manufacturing PET Resin in India with a capacity of 2,16,000 tonnes of PET Resin at its plant in Panipat District in the State of Haryana, for a total consideration of Rs.110.65 crores subject to adjustments. Consequent to such acquisition IVGS and DPL will each have an equal 50% equity stake in the said Micro Polypet Private Limited.
- iv. In the circumstances it is considered desirable and expedient to reorganise and reconstruct DPL by transferring its Transferred Business, as described in this Scheme of Arrangement, to DPGL in the manner and on the terms and conditions stated herein.
- v. DPGL was incorporated recently with the object, inter alia, of carrying on the business of manufacture of PET Resin. Consequent to the reconstruction, the Transferred Business and the Remaining Business of DPL will be constituted in and owned by two separate entities, DPGL and DPL respectively, with each entity being capable of independent evaluation and having their own management and administrative set up. The same will result in the Transferred Business and Remaining Business being conducted and carried on by DPGL and DPL respectively more conveniently and advantageously with greater focus, attention and specialisation and facilitate the considerations and factors peculiar to the said businesses to be addressed more effectively by the said Companies.
- vi. The aforesaid reconstruction is necessary and will enable induction of a suitable strategic and financial partner in the Transferred Business, in DPGL as aforesaid. Subject to sanction of the Scheme by the Hon'ble High Court at Calcutta and completion of formalities, IVGS has agreed to take a 50% Equity stake in the said business in DPGL. IVGS has agreed to contribute a sum of Rs. 418.76 crores for acquiring such 50% equity stake as stated aforesaid.
- vii. The joint venture in DPGL will benefit from the local skills, knowledge, established base and expertise of DPL in the Transferred Business and strategic location of the PET Resin Plant near Haldia port, being the largest port in North Eastern India, combined with the global presence, expertise, experience, technological leadership, global market reach and high utilisation rates of IVL. Such joint venture will strengthen and fortify the position of DPGL to grow the Transferred Business and become a larger and more efficient producer of PET Resin, with substantial savings in cost of procurement of raw materials, lower cost of production and better capacity to market and sell its products both in the domestic and international market. The products of DPGL will be marketed and sold with trademarks owned by DPL ('Aspet') and IVL ('Ramapet'). The said business in DPGL will thus also benefit immensely from such branding of its products.

- viii. In terms of this Scheme DPGL will issue and allot to DPL 2,84,75,000 Optionally Convertible Debentures of Rs.100/- each in DPGL credited as fully paid up and aggregating to Rs.284,75,00,000/- in exchange of the Transferred Business. Further, in terms of the said agreement with IVGS the said 50% Equity stake in DPGL will be acquired by IVGS subscribing to 2,00,00,000 Equity Shares of Rs.10/- each in DPGL at a premium of Rs. 199.38 per share for a total price of Rs.418.76 crores. Part of the proceeds of the said subscription by IVGS, i.e a sum of Rs. 284,75,00,000/- will be utilised by DPGL to redeem the said Debentures in terms of this Scheme.
- ix. The aforesaid arrangement will result in substantial cash inflows in the Transferred Business and Remaining Business for achieving and generating growth and development thereof and will also unlock the capital value of DPL.
- x. The arrangement is necessary for ensuring long term profitability and independent and optimum growth and development of the said businesses and undertakings on the basis of their own strengths and prospects and will facilitate realisation of their potential to a fuller extent.
- xi. The arrangement will enable DPGL to engage in business with an established undertaking and is proposed to the advantage of both the companies, their shareholders, employees and all concerned.

PART – II

(Transfer of Transferred Business of DPL to DPGL)

4. Transfer of Transferred Business of DPL :

- 4.1 With effect from the Appointed Date, the Transferred Business of DPL shall, pursuant to the provisions contained in Section 394 and other applicable provisions of the Act, stand transferred to and vest in or be deemed to be transferred to and vested in DPGL, as a going concern for all the estate and interest of DPL therein subject to the charges in respect of the Transferred Business and in accordance with the modalities for transfer stipulated herein.
- 4.2 All debts, liabilities, duties and obligations of DPL relating to the Transferred Business as on the close of business on the day immediately preceding the Appointed Date and all other debts, liabilities, duties and obligations of DPL relating to the Transferred Business which may accrue or arise from the Appointed Date but which relate to the period upto the day immediately preceding the Appointed Date shall also be transferred to DPGL, without any further act or deed, pursuant to the provisions of Section 394 of the Act, so as to become the debts, liabilities, duties and obligations of DPGL.
- 4.3 The transfer and vesting of the Transferred Business of DPL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets of the Transferred Business or any part thereof, provided however that such charges, mortgages and/ or encumbrances shall be confined only to the assets of DPL or part thereof on or over which they are subsisting on transfer to and vesting of such assets in DPGL and relate to the debts or liabilities of the Transferred Business.
- 4.4 Subject to the other provisions of this Scheme, all licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates obtained by DPL for the operations of the Transferred Business and/or to which DPL is entitled to in relation to the Transferred Business in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to and vest in DPGL, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of DPGL. Since the Transferred Business will be transferred to and vested in DPGL as a going concern without any break or interruption in the operation thereof, DPGL shall be entitled to the benefit of all such licenses, permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates and to carry on and continue the operations of the Transferred Business on the basis of the same upon this Scheme becoming effective. Further, all benefits, including, under Income Tax, Excise (including Modvat/Cenvat), Sales Tax etc to which DPL is entitled in relation to the Transferred Business in terms of the various Statutes and / or Schemes of Union and State Governments shall be available to and vest in DPGL upon this Scheme becoming effective.

5. Legal Proceedings:

All legal or other proceedings by or against DPL and relating to the Transferred Business of DPL shall be continued and enforced by or against DPGL only. If proceedings are taken against DPL, DPL will defend on notice or as per advice of DPGL at the costs of DPGL and DPGL will indemnify and keep indemnified DPL from and against all liabilities, obligations, actions, claims and demands in respect thereof.

6. Contracts and Deeds:

- 6.1 All contracts, deeds, bonds, agreements, engagements and other instruments of whatsoever nature relating to the Transferred Business to which DPL is a party or to the benefit of which DPL may be eligible, and which have not lapsed and are subsisting on the Effective Date shall remain in full force and effect against or in favour of DPGL as the case may be, and may be enforced by or against DPGL as fully and effectually as if, instead of DPL, DPGL had been a party thereto.
- 6.2 DPL and/or DPGL shall, if and to the extent required by law, enter into and / or issue and / or execute deeds, writings or confirmations, or enter into any Tripartite Arrangement, confirmation or novation to give formal effect to the provisions of this Clause.

7. Saving of Concluded Transactions :

The transfer and vesting of the properties and liabilities of the Transferred Business under Clause 4 above, the continuance of the proceedings by or against DPGL under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above shall not affect any transaction or proceeding relating to the Transferred Business already completed by DPL on or before the Effective Date to the end and intent that DPGL accepts all acts, deeds and things relating to the Transferred Business done and executed by and/or on behalf of DPL as acts, deeds and things done and executed by and on behalf of DPGL.

8. Employees:

On and from the Effective Date:

- 8.1 DPGL undertakes to engage all the employees of DPL engaged in the Transferred Business on the Effective Date on the same terms and conditions on which they are engaged by DPL without treating it as a break, discontinuance or interruption of service on the said date as a result of the transfer of the Transferred Business to DPGL.
- 8.2 Accordingly, the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with DPL.
- 8.3 It is expressly provided that the contributions in respect of Provident Funds, Gratuity Funds, Superannuation Fund or any other Fund or Funds created or existing for the benefit of the employees of the Transferred Business, as applicable, of DPL shall be continued to be deposited by DPGL in the existing Funds with the approval of the concerned authorities and arrangements being made in this regard with the administrators of the said Funds, as may be required. DPGL shall stand substituted for DPL in relation to the obligation to make contributions in respect of the said employees to the said Funds in accordance with the provisions thereof to the end and intent that all rights, duties, powers and obligations of DPL with respect to such employees and in relation to such Funds shall become those of DPGL. Alternatively, the accumulated balances standing to the credit of the employees of the Transferred Business in the said Funds of which they are members will be transferred to such Funds nominated by DPGL and/or such new Funds to be established and caused to be recognised by the concerned authorities by DPGL. Pending such transfer the dues of the employees of the Transferred Business relating to the said Funds would be continued to be deposited in the existing Funds.

9. Conduct of Transferred Business in trust for DPGL:

9.1 With effect from the Appointed Date and up to and including the Effective Date:

- i. DPL shall carry on and be deemed to have carried on all business and activities relating to the Transferred Business for and on account of and in trust for DPGL.
- ii. All profits accruing to DPL (including taxes paid thereon) or losses arising or incurred by it relating to the Transferred Business for the period falling on and after the Appointed Date shall for all purposes, be treated as the profits (including taxes paid) or losses, as the case may be, of DPGL.
- iii. DPL shall be deemed to have held and stood possessed of the properties to be transferred to DPGL for and on account of and in trust for DPGL.

9.2 It is clarified that all the taxes and duties payable by DPL, relating to the Transferred Business, from the Appointed Date onwards and up to the Effective Date, including all advance tax payments, tax deducted at source, tax liabilities or any

refunds and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of DPGL. Accordingly, upon the Scheme becoming effective, DPL is expressly permitted to revise and DPGL is expressly permitted to file their respective income tax returns including tax deducted at source certificates, sales tax/ value added tax returns, excise returns, service tax returns and other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme.

- 9.3 All assets (including fixed assets, current assets, cash and bank balances etcetera) acquired by DPL after the Appointed Date and prior to the Effective Date for operation of the Transferred Business or pertaining to the Transferred Business shall be deemed to have been acquired for and on behalf of DPGL.
- 9.4 All loans raised and/ or used and all liabilities and obligations incurred by DPL for the operations of the Transferred Business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of DPGL.
- 9.5 All loans, liabilities and obligations of DPL relating to the Transferred Business which have been discharged by DPL after the Appointed Date and prior to the Effective Date shall be deemed to have been discharged for and on account of DPGL.
- 9.6 With effect from the date of approval of this Scheme by the Boards of Directors of DPL and DPGL and until the Effective Date, DPL undertakes that it will preserve and carry on the business of the Transferred Business with a high level of diligence and business prudence and shall use its best efforts to: (i) preserve its present business operations and portfolio, organization (including, without limitation, management and sales force) and goodwill of the Transferred Business; and (ii) preserve its present relationship with persons having business dealings with the Transferred Business (including, without limitation, customers and vendors); and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Transferred Business or any part thereof save and except in each case:
 - (a) If the same is in its ordinary course of business as carried on by it as on the date of approval of this Scheme by the Boards of Directors of DPL and DPGL; or
 - (b) If the same is expressly permitted by this Scheme; or
 - (c) If the prior written consent of the Board of Directors of DPGL has been obtained.

10. Consideration | Issue of Debentures:

10.1 Upon the Scheme coming into effect and without further application, act or deed, DPGL shall, in consideration of transfer of the Transferred Business, issue and allot to DPL, 2,84,75,000 Optionally Convertible Debentures of Rs.100/- each ("Debentures") in DPGL credited as fully paid up. This Scheme will accordingly result in slump exchange between DPL and DPGL of ownership of Transferred Business for ownership of such Debentures.

10.2 The terms applicable to the said Debentures shall be as follows:-

- i. **Issue price** : At face value of Rs.100/- per Debenture.
- ii. **Redemption** : The Debentures shall be redeemed at par with issue price simultaneously with the new Equity Shares in DPGL being subscribed by IVGS pursuant to transfer of the Transferred Business as mentioned in clause 3.vi of this Scheme. If such new Equity Shares in DPGL are not subscribed for any reason whatsoever by IVGS within a period of 9 (Nine) months from the Effective Date, the said Debentures shall at the option of the Debenture holders be redeemable in cash at par at any time after expiry of a period of 9 (nine) months from the date of their allotment ("Issue Date") and not later than a period of 5 (five) years from the Issue Date.
- iii. **Conversion** : Alternatively, and if not redeemed simultaneously with the new Equity Shares in DPGL being subscribed by IVGS as aforesaid, the Debentures shall be convertible into Equity Shares in DPGL at the option of the Debentureholder at any time after expiry of a period of 2 (Two) years from the Issue Date. The conversion price of the Debentures into Equity Shares shall be based on the fair value of the equity shares at the time of conversion. The Equity Shares resulting from such conversion shall rank pari passu in all respects with the Equity Shares of DPGL existing at the time of conversion. It is clarified that failing such exercise of option, the Debentures shall be redeemed at par no later than a period of 5 (five) years from the Issue Date.

- iv. **Coupon rate** : The Debentures shall carry interest at the rate of 9% (Nine Percent), due and payable on a yearly basis from the date of issue, provided that such interest will accrue only after the expiry of a period of 12 (Twelve) months from the Issue Date subject to consent of lenders.
- v. **Other terms** : It shall not be necessary to create any security for redemption of the Debentures or appoint debenture trustees unless otherwise agreed between DPGL and the Debentureholders. The Debentures shall be subject to the Memorandum and Articles of Association of DPGL, including variation of terms in accordance with law.

10.3 Upon the Scheme becoming effective, the Authorised Share Capital of DPGL shall be increased to Rs.40,00,00,000/- divided into 4,00,00,000 Equity Shares of Rs.10/- each and Clause V of the Memorandum of Association of DPGL shall be altered accordingly.

11. Accounting:

11.1 In books of DPGL:

All assets and liabilities of the Transferred Business shall be recorded in the books of account of DPGL at their values as appearing in the books of account of DPL as on the Appointed Date. The Debentures issued by DPGL and the difference, if any, between the book value of the assets and liabilities of the Transferred Business and such Debentures shall be accounted for in the books of account of DPGL in accordance with the Accounting Standards and/or generally accepted accounting principles, as applicable. For the purpose aforesaid, a balance sheet of the Transferred Business as on the Appointed Date ("Reference Balance Sheet") shall be drawn up on the basis of books of account of DPL pursuant to sanction of the Scheme.

11.2 In books of DPL:

The Debentures issued by DPGL in slump exchange of the Transferred Business and the difference, if any, between the book value of the assets and liabilities of the Transferred Business and such Debentures, shall be accounted for in the books of account of DPL in accordance with the Accounting Standards and/or generally accepted accounting principles, as applicable.

11.3 Subject to the aforesaid, the Board of Directors of DPL and DPGL shall be entitled to make such corrections and adjustments as may in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in accounting for the reconstruction in the respective books of account of the said Companies.

12. Post Scheme conduct of business :

Even after this Scheme becomes operative, DPGL shall be entitled to operate all Bank Accounts and realise all monies and complete and enforce all pending contracts and transactions relating to the Transferred Business in the name of DPL and in so far as may be necessary until the transfer of rights and obligations of the said Transferred Business to DPGL under this Scheme is formally accepted by the parties concerned.

13. Remaining Business :

13.1 Save and except the Transferred Business of DPL and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall affect the Remaining Business of DPL which shall continue to belong to and be vested in and be managed by DPL. DPL shall keep DPGL fully indemnified from any direct losses, liabilities, claims, costs, damages, fines, penalties, and expenses including interests and penalties with respect thereto and reasonable out-of-pocket expenses and reasonable attorneys', accountants' and other experts' fees and disbursements incurred by DPGL in relation to the Remaining Business.

13.2 All legal, taxation or other proceedings (including arbitrations) or investigations by or against DPL under any statute, (i) whether pending on the Effective Date or (ii) which may be instituted in future (whether or not in respect of any matter arising before the Effective Date) and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of DPL in respect of the Remaining Business) shall be continued and enforced by or against DPL at its own cost and risk, and DPL shall keep DPGL fully indemnified in that behalf. DPGL shall in no event be responsible or liable in relation to any such legal, taxation or other proceedings or investigations relating to the Remaining Business.

PART – III

(General/ Miscellaneous Provisions)

14. Applications :

DPL and DPGL shall, with all reasonable dispatch, make necessary applications under Sections 391 to 394 of the Act, to the Hon'ble High Court at Calcutta, for sanction and carrying out of the Scheme. Any such application shall, upon constitution of the National Company Law Tribunal under the Companies Act, 2013, be made and/or pursued before the National Company Law Tribunal, if so required. In such event references in this Scheme to the Hon'ble High Court at Calcutta shall be construed as references to the National Company Law Tribunal as the context may require. DPL and DPGL shall also apply for such other approvals as may be necessary in law, if any, for bringing the Scheme into effect. Further, DPL and DPGL shall be entitled to take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

15. Modification and Implementation :

DPL and DPGL (by their respective Board of Directors or Committee thereof or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised :

- i. to assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble High Court at Calcutta and/ or any authorities under law may deem fit to approve or direct or which may be considered necessary due to any change in law or as may be deemed expedient or necessary; and
- ii. to settle all doubts or difficulties that may arise in carrying out the Scheme and to do and execute all acts, deeds, matters and things on behalf of the companies, necessary, desirable or proper for putting the Scheme into effect, including entering into transitional arrangements; arrangements for carrying out or performing all such formalities or compliances as may be deemed proper and necessary for effecting transfer and vesting of the properties of the Transferred Business; and deciding any question that may arise as to whether whole or part of a specific asset or liability pertains or does not pertain or arises out of the activities or operations of such Transferred Business or is to be recorded in the Reference Balance Sheet of the Transferred Business or whether a specific employee is or is not substantially engaged in relation to such Transferred Business.

Without prejudice to the generality of the foregoing, DPL and DPGL (by their respective Board of Directors or Committee thereof or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

16. Scheme Conditional Upon :

The Scheme is conditional upon and subject to:

- 16.1 Approval of the Scheme by the requisite majorities of the members of DPL and DPGL including approval of Public shareholders of DPL in terms of para 9(a) of SEBI Circular dated 30 November, 2015;
- 16.2 Approval of the Scheme by the Stock Exchanges where DPL is listed in terms of the Securities and Exchange Board of India (SEBI) Circular dated 30 November 2015;
- 16.3 The Scheme being approved or deemed to be approved by the Competition Commission of India under the provisions of the Competition Act, 2002; and
- 16.4 Sanction of the Scheme by the Hon'ble High Court at Calcutta.

Accordingly, the Scheme although operative from the Appointed Date shall become effective on the Effective Date, being the date or last of the dates on which all the approvals and sanction are attained as above and certified copies of the order of the Hon'ble High Court at Calcutta sanctioning this Scheme are filed with the Registrar of Companies.

17. Costs, Charges and Expenses :

DPL shall bear and pay all costs, charges and expenses incurred in connection with preparation of the Scheme and pursuing proceedings for bringing the same into effect. All other costs, charges and expenses in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto shall be borne and paid as mutually agreed between the parties.

18. Residual Provisions:

18.1 Save as provided in Clause 10 above, DPGL shall not at any time during the period commencing from the date of approval of this Scheme by the Boards of Directors of the said Companies and ending with the Effective Date make any change in its capital structure either by way of increase (by issue of equity shares on a rights or preferential allotment basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner except by mutual consent of the respective Boards of Directors of DPL and DPGL.

18.2 On the approval of the Scheme by the members of DPL and DPGL pursuant to Section 391 of the Companies Act, 1956, it shall be deemed that the said members have also accorded all relevant consents under any other provisions of the Companies Act, 1956 and the Companies Act, 2013, including Section 62(1)(c) of the Companies Act, 2013, to the extent the same may be considered applicable.

18.3 DPGL shall be at liberty to convert itself into a private company and/or change its name suitably consequent to this Scheme and joint venture between DPL and IVGS as may be resolved by the shareholders of DPGL in general meeting of DPGL. Similarly, DPL shall also be at liberty to change its name suitably pursuant to the Scheme.

18.4 Pursuant to transfer of the Transferred Business of DPL to DPGL in terms of the scheme, DPL shall apply to the Reserve Bank of India for registration as a Non-Banking Financial Company under Section 45-IA of the Reserve Bank of India, 1949, if and to the extent required.

DCS/AMAL/AM/387/2016-17
May 12, 2016

The Company Secretary
Dhunseri Petrochem Ltd
Dhunseri House, 4A, Woodburn Park,
Kolkata - 700020



Sub: Observation letter regarding the Draft Scheme of Arrangement between Dhunseri Petrochem Ltd and Dhunseri Petglobal Ltd.

We are in receipt of Draft Scheme of Arrangement between Dhunseri Petrochem Ltd and Dhunseri Petglobal Ltd.

As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated May 11, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- > *Company to ensure that undertaking submitted by the Company, vide email dated April 22, 2016, pertaining to postal ballot/e-voting in terms of para 9(e) of the aforementioned circular is suitably incorporated in the Scheme."*
- > *"Company shall duly comply with various provisions of the Circulars."*

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

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

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

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

- a. Copy of the High Court approved Scheme;
- 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. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- e. Status of compliance with the Observation Letter/s of the stock exchanges;
- f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- g. Complaints Report as per Annexure II of this Circular.
- h. Any other document/disclosure as informed by the Exchange.

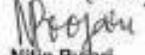


BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Registered Office : Floor 25, P J Towers, Dalal Street, Mumbai - 400 001, India
T: +91 22 2372 1234/33 | E: corpcom@bseindia.com | www.bseindia.com
Corporate Identity Number : U67120IN-D005PLG155181

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 Puri
Manager



Ref: NSE/LIST/72658

May 12, 2016

The Company Secretary
Dhunseri Petrochem Limited
Dhunseri House,
4A, Woodburn Park,
Kolkata - 700020

Kind Attn.: Mr. K. V. Balan

Dear Sir,

Sub: Observation letter for draft Scheme of Arrangement between Dhunseri Petrochem Limited and Dhunseri Petglobal Limited and their respective shareholders

This has reference to draft Scheme of Arrangement between Dhunseri Petrochem Limited and Dhunseri Petglobal Limited and their respective shareholders submitted to NSE.

Based on our letter reference no Ref: NSE/LIST/66814 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI vide letter dated May 11, 2016, has given following comments;

"1. The Company to ensure that undertaking submitted by the Company, vide email dated April 11, 2016, pertaining to postal ballot/ e-voting in terms of para 9(a) of the aforementioned circular is suitably updated in the scheme.

2. The Company shall duly comply with various provisions of the Circular".

We hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with 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 May 12, 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.

1.



- 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 Annexure III of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Limited

Samir Naringrekar
Manager

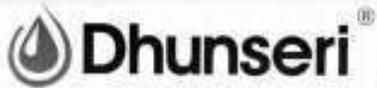
P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL
http://www.nseindia.com/corporates/content/further_issues.htm

The Document is Digitally Signed

2.



Signer : Samir Naringrekar
Date: Thu, May 12, 2016 12:18:20 GMT+05:30
Location: NSE



Dhunseri Petrochem Limited

(Formerly Dhunseri Petrochem & Tea Limited) CIN : L15492WB1916PLC002697
Registered Office : Dhunseri House, 4A Woodburn Park, Kolkata 700020

Complaints Report for the period from March 23, 2016 to April 19, 2016

Part A

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

Part B

Sr. No.	Name of Complainant	Date of Complaint	Status Resolved / Pending)
1	Not Applicable		
2			
3			

For Dhunseri Petrochem Ltd.

K. V. Balan
Company Secretary & Compliance Officer



Ph : +91 33 2283 6128-33 | Fax : +91 33 2283 6056, 2283 4216, 2280 1956
E-mail : aspet@cal2.vsnl.net.in | Website Address : www.aspetindia.com

Dhunseri Petrochem Limited

Statement (unaudited) of Assets and Liabilities of the Transferred Business as on 1st April, 2016

Rs in Crores

LIABILITIES

1	Non-Current Liabilities	
a	Long-term borrowings	465.13
b	Other Long-term liabilities	0.03
c	Long-term provisions	3.56
		<u>468.72</u>
2	Current Liabilities	
a	Short-term borrowings	780.70
b	Trade payables	139.34
c	Other current liabilities	131.03
d	Short-term provisions	0.47
		<u>1,051.54</u>
	Total	<u>1,520.26</u>

ASSETS

1	Non-Current Assets	
a	Fixed assets	
i	Tangible assets	887.24
ii	Intangible assets	0.18
iii	Capital work-in-progress	27.03
b	Non-current investments	0.01
c	Long-term loans and advances	1.87
d	Other non-current assets	22.06
		<u>938.39</u>
2	Current Assets	
a	Inventories	242.04
b	Trade receivables	224.25
c	Cash and Bank balances	107.29
d	Short-term loans and advances	176.87
e	Other current assets	116.17
		<u>866.62</u>
	Total	<u>1,805.01</u>
	Excess of Assets over Liabilities	284.75

**Company Application No.391 of 2016
In the High Court at Calcutta
Original Jurisdiction**

In the Matter of:
The Companies Act, 1956.

And
In the Matter of:
An application under Sections 391(1) and 393 of the said Act.

And
In the Matter of:

1. Dhunseri Petrochem Limited
2. Dhunseri Petglobal Limited

..... Applicants

PROXY

I/We (*) the undersigned Equity Shareholders of Dhunseri Petrochem Limited do hereby nominate and appoint Mr./Ms. _____ of _____ and failing him/her Mr./Ms. _____ of _____ as my/our PROXY to act for me/us at the **meeting of the Equity Shareholders of Dhunseri Petrochem Limited** to be held at 'Kala Kunj', Sangit Kala Mandir, 48, Shakespeare Sarani, Kolkata 700 017, on Wednesday, the 22nd day of June, 2016 at 11.00 a.m. for the purpose of considering and if thought fit, approving with or without modification, the proposed Scheme of Arrangement between Dhunseri Petrochem Limited and Dhunseri Petglobal Limited and their respective shareholders at such meeting or any adjournment thereof to vote for me/us and in my/our name _____ [here, 'if for', insert 'for'; 'if against', insert 'against' and in the latter case, strike out the words below after 'Scheme of Arrangement'] the said Scheme of Arrangement either with or without modification as my/our proxy may approve.

Dated this day of, 2016.

Name :

Address :

Ledger Folio No or DP ID/Client ID No. :



Signature

- NOTES:
1. Please affix appropriate Revenue Stamp before putting Signature.
 2. The proxy must be deposited at the Registered Office of Dhunseri Petrochem Limited at least 48 hours before the time of holding the meeting.
 3. A proxy need not be a member of Dhunseri Petrochem Limited.
 4. All alterations made in the Form of Proxy must be initialed by the Equity Shareholder.
- (*) Strike out whichever not applicable.

Dhunseri Petrochem Limited

Regd. Office : 'Dhunseri House', 4A, Woodburn Park, Kolkata 700 020

ATTENDANCE SLIP

Equity Shareholders attending the Meeting in person or by Proxy are requested to complete the Attendance Slip and hand it over at the entrance of the Meeting Hall.

I hereby record my presence at the Court Convened Meeting of the Equity Shareholders of Dhunseri Petrochem Limited to be held at 'Kala Kunj', Sangit Kala Mandir, 48, Shakespeare Sarani, Kolkata 700 017, on Wednesday, the 22nd day of June, 2016 at 11.00 a.m.

Full Name of the Equity Shareholder (in Block Letters) _____

Signature _____

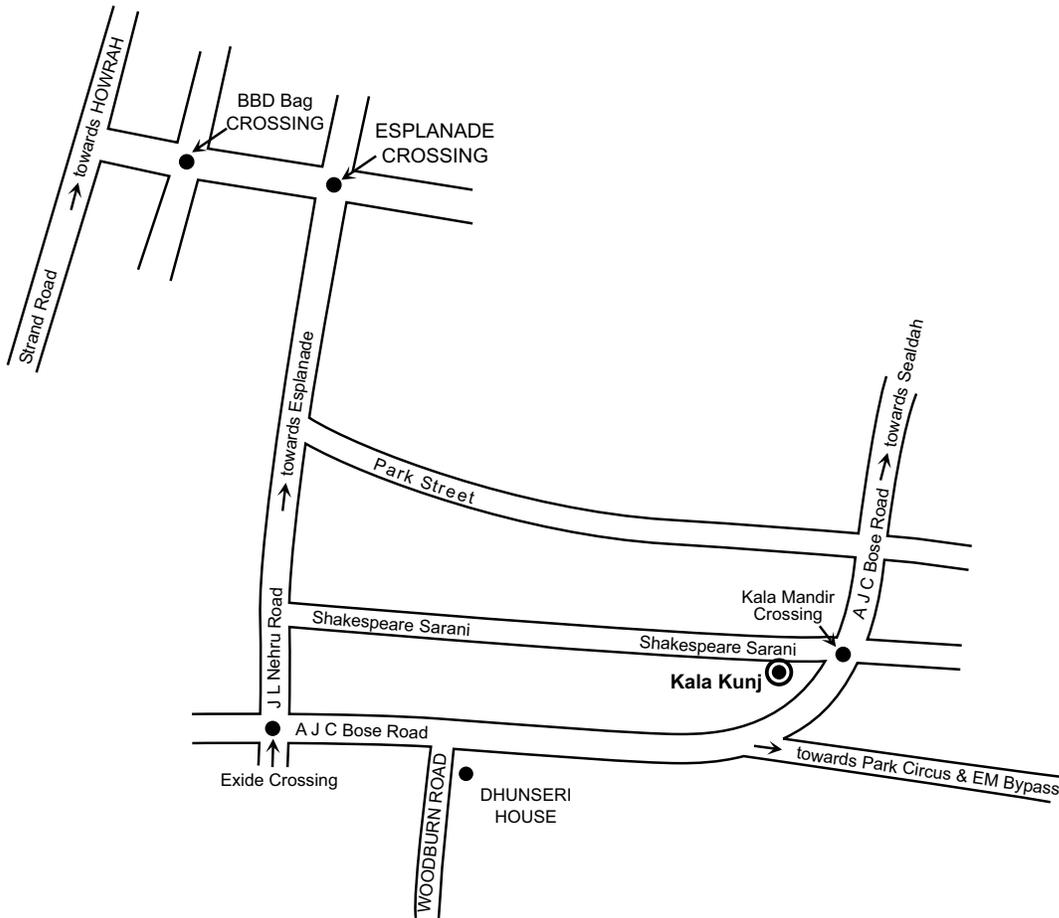
Full Name of the Proxy/Authorised Representative, if any (in Block Letters) _____

Signature _____

Ledger Folio No or DP ID/Client ID No. :

Note: Kindly bring copy of the Notice for reference at the Meeting

Route Map to the Meeting Venue



Map not to scale

