



PI Industries Limited

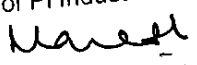
Regd Office: Udaisagar Road, Udaipur 313 001 (Rajasthan)

Corporate Office: 5th Floor, Vipul Square, B- Block, Sushant Lok, Phase I, Gurgaon 122 009

CIN: L24211RJ1946PLC000469

Website:- www.piindustries.com Phone: 0124-6790000 Fax: 0124 6790236/408124, E-mail: investor.grievance@piind.com

COURT CONVENED MEETING OF THE UNSECURED CREDITORS OF PI INDUSTRIES LIMITED

Day	: Saturday	Certified True Copy For PI Industries Ltd.  Company Secretary
Date	: November 01, 2014	
Time	: 11.00 A.M	
Venue	: Udaisagar Road, Udaipur	

Sr. No.	Contents	Page No.
1.	Notice of Court Convened Meeting of the Unsecured Creditors of PI Industries Limited.	1-2
2.	Explanatory Statement under Section 393 of the Companies Act, 1956.	3-16
3	Scheme of Amalgamation between Parteek Finance and Investment Company Limited and PI Industries Limited and their respective shareholders and creditors under Sections 391 to 394 of the Companies Act, 1956	16-30
4.	Copy of the Fairness Opinion from Corporate Professionals Capital Private Limited, Merchant Banker dated February 7, 2014 on the valuation of shares.	31-35
5.	Complaints Report submitted with the Stock Exchange as per the format specified in Annexure II of the SEBI Circular CIR/CFD/DIL/5/2013 dated February 4, 2013.	36
6.	Copy of observation Letters received from the National Stock Exchange of India Limited and Bombay Stock Exchange Limited dated May 16, 2014.	37-38
7.	Form of Proxy	39-40
8.	Attendance Slip	41

**IN THE HIGH COURT OF JUDICATURE FOR RAJASTHAN
AT JODHPUR**

Original Jurisdiction

**IN THE MATTER OF SCHEME OF AMALGAMATION UNDER SECTION 391 TO 394 OF THE COMPANIES ACT,
1956**

AND

**IN THE MATTER OF AMALGAMATION OF PARTEEK FINANCE AND INVESTMENT COMPANY LIMITED WITH PI
INDUSTRIES LIMITED**

S.B Company Application No. 6 of 2014

**PI Industries Limited, a company incorporated under the Companies Act, 1956 having its Registered Office at
Udaisagar Road, Udaipur – 313001 (Rajasthan)-**

.....Applicant Company

AND

**Parteek Finance and Investment Company Limited (hereinafter called 'Parteek') a company incorporated under
the Companies Act, 1956 having its registered office at 145, Tribhuvan Complex, Ishwar Nagar, Mathura Road,
Delhi-110065**

.....Non Applicant Company

NOTICE CONVENING THE MEETING OF UNSECURED CREDITORS

**To,
Unsecured Creditors
PI Industries Limited**

TAKE NOTICE THAT by an Order dated 19th September, 2014, the Hon'ble High Court for Judicature of Rajasthan, Jodhpur has directed a meeting be held of "Unsecured Creditors" of above Rs. 5 (five) Lakhs of **PI Industries Limited**, the Applicant Company for the purpose of considering and if thought fit, approving with or without modification, Scheme of Amalgamation proposed to be made between the Applicant Company and the Non-Applicant Company and their respective shareholders and creditors.

TAKE FURTHER NOTICE that in pursuance of the said order and as directed therein, a meeting of said Unsecured Creditors of the PI Industries Limited, the Applicant Company will be held on 1st November, 2014 at Registered office of the Applicant Company at Udaisagar Road, Udaipur - 313001 (Rajasthan) at 11:00 A.M. at which time, day and place 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 or your authorised representative, is deposited at the registered office of the Applicant Company situated at Udaisagar Road, Udaipur – 313001 (Rajasthan) not later than 48 hours before the meeting.

The Hon'ble High Court has appointed Shri Dinesh Mehta, Advocate as Chairman and Shri Manoj Bhandari, Advocate as Alternate Chairman for the meeting of said Unsecured Creditors of PI Industries Limited, the Applicant Company.

A copy of the said Scheme of Amalgamation and of the statement under Section 393 of the Companies Act, 1956 and a form of proxy are enclosed herewith.

Dated this 1st day of October, 2014.

Place: Jodhpur

Dinesh Mehta, Advocate
Chairman appointed for the meeting by the Court.

PI Industries Limited

CIN: L24211RJ1946PLC000469

Registered Office: Udaisagar Road, Udaipur - 313001
Rajasthan (India)

Website: www.piindustries.com

Email id: investor.grievance@piind.com

Notes:

1. All alterations made in the Form of Proxy should be initialed.
2. Only Unsecured Creditors of the Amalgamated Company may attend and vote (either in person or by proxy or by authorized representative under Section 113 of the Companies Act, 2013) at the Unsecured Creditors meeting. The representative of a body corporate which is an Unsecured Creditor of the Amalgamated company may attend and vote at the Unsecured Creditors meeting provided a certified true copy of the resolution of the Board of Directors or other governing body of the body corporate is deposited at the registered office of the Amalgamated company not later than 48 hours before the meeting authorizing such a representative to attend and vote at the Unsecured Creditors meeting.
3. **AN UNSECURED CREDITOR ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE AN UNSECURED CREDITOR OF THE APPLICANT COMPANY.** The Form of Proxy duly completed should, however, be deposited at the Registered Office of the Applicant Company not less than 48 hours before the meeting.
4. The members / proxies are advised to bring original photo identity for verification.

Enclosed – As above

**IN THE HIGH COURT OF JUDICATURE FOR RAJASTHAN
AT JODHPUR**

Original Jurisdiction

**IN THE MATTER OF SCHEME OF AMALGAMATION UNDER SECTION 391 TO 394 OF THE COMPANIES ACT,
1956**

AND

**IN THE MATTER OF AMALGAMATION OF PARTEEK FINANCE AND INVESTMENT COMPANY LIMITED WITH PI
INDUSTRIES LIMITED**

S.B Company Application No. 6 of 2014

**PI Industries Limited, a company incorporated under the Companies Act, 1956 having its Registered Office at
Udaisagar Road, Udaipur – 313001 (Rajasthan)-**

.....Applicant Company

AND

**Parteek Finance and Investment Company Limited (hereinafter called 'Parteek') a company incorporated under
the Companies Act, 1956 having its registered office at 145, Tribhuvan Complex, Ishwar Nagar, Mathura Road,
Delhi-110065**

.....Non Applicant Company

EXPLANATORY STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

- 1 Pursuant to an Order dated the 19th day of September, 2014 passed by the Hon'ble High Court of Rajasthan, Jodhpur in the Company Application referred to hereinabove, a meeting of the Unsecured Creditors of PI Industries, Amalgamated company (having value of Rs. 5 lakhs and above) is being convened and held at Udaisagar Road, Udaipur on Saturday, the **1st day of November, 2014 at 11.00 a.m.**, for the purpose of considering and if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation between Parteek Finance and Investment Company Limited and PI Industries Limited and their respective shareholders and creditors (hereinafter referred as "Scheme" or "The Scheme")
- 2 The proposed Scheme envisages amalgamation of Parteek Finance and Investment Company Limited ("Parteek") with PI Industries Limited ("PIIL") through a Court approved Scheme under Sections 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding sections of the Companies Act, 2013 (as and when such corresponding sections are notified in the Official Gazette by the Central Government).
- 3 A copy of the Scheme of Amalgamation setting out in detail the terms and conditions of the proposed arrangement, which has been approved by the Board of Directors of the Amalgamated Company at their meeting, held on February 12, 2014 is attached herewith and forms a part of this Explanatory Statement. The other definitions contained in the Scheme shall apply to this Explanatory Statement also.

4 The background of both companies involved in the Scheme is as under:

4.1 PI Industries Limited ('Parteek' or 'Amalgamated company')

- (a) PIIL ('hereinafter referred to as Amalgamated Company') was incorporated on December 31, 1946 vide incorporation letter no. N.21.1946 under the provisions of the Mewar Companies Act, 1942 under the name and style of 'The Mewar Oil and General Mills Limited.
- (b) The name of the company was subsequently changed to 'Pesticides India Limited' on 1st day of January, 1990 vide letter No. ROC/Approval/21/3801 dated December 29, 1989.
- (c) Further, the name of the company was changed to 'PI Industries Limited' on 13th day of October, 1992 vide letter No. ROC/Approval/21/3661 dated October 12, 1992.
- (d) The registered office of the Amalgamated company is situated at Udaisagar Road, Udaipur-313001, Rajasthan.
- (e) The Amalgamated company is presently engaged in the business of Agri Inputs and Custom Synthesis & Contract manufacturing of agro chemicals, intermediates and other niche fine chemicals.
- (f) The authorized, issued, subscribed and paid-up share capital of Amalgamated company as on March 31, 2014 is as under:

Particulars	As at March 31, 2014 (Rs.)
Authorized Share Capital	
20,00,00,000 Equity Shares of Re.1/- each	20,00,00,000
50,00,000 Preference Shares of Rs.100/- each	50,00,00,000
Total	70,00,00,000
Issued	
13,62,85,655 Equity Shares of Re.1/- each	13,62,85,655
Subscribed and Paid-up	
13,61,09,080 Equity Shares of Re.1/- each and Fully Paid up	13,61,09,080
Total	13,61,09,080

The difference between the issued and subscribed capital is on account of less number of shares allotted in right issue in earlier years.

Subsequent to March 31, 2014, there has been no change in the issued, subscribed and paid-up capital of PIIL.

- (g) The Equity Shares of the Amalgamated company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

(h) The main objects of Amalgamated Company as set out in its Memorandum of Association are as under: -

- i. *To carry on the trades and professions of manufacturers and merchants of various oil seeds and oil products.*
- ii. *To carry on the trades and professions of producing or purchasing seeds of various kinds.*
- iii. *To carry on the trades and professions of manufacturers and merchants of drums, barrels, containers and packing cases of all kinds for various oils and oil products.*
- iv. *To carry on trades and professions of chemical manufacturing, starch mills, paper mills, distilleries, oil hydrogenating plants, oil splitting plants, refrigerators, ice factories, cold storages, metal works and various kinds of industrial furnaces lime burning kilns, industrial ovens, ginning weaving and spinning mills and various other works in this regard.*
- v. *To acquire by purchase, lease, exchange or otherwise, lands, buildings, or any properties with or without machineries and hereditaments of any tenure or description, and any estates or interests therein, and rights over or connected with land, and either to retain the same for the purpose of the Company's business or to turn the same to account as may seems expedient.*
- vi. *To lend money, either with or without security and generally to such persons and upon such terms, conditions as the Company may think fit.*
- vii. *To borrow, raise or secure the payment of money from time to time for any of the purposes of the Company by Bonds, Debentures or Promissory Notes, or by taking credits in or opening current accounts with any individual, or firm or with any bank or bankers and whether with or without giving any security, goods or other articles or by mortgage or receiving advances on or by charging any part of the property of the Company both present and future including its uncalled capital or by such other means as the Directors may in their own absolute discretion deem expedient.*
- viii. *To invest and deal with the moneys of the Company upon such securities and in such manner as may from time to time be determined.*
- ix. *To take or otherwise acquire and hold shares in any other Company.*
- x. *To receive money on deposit or on loan upon such terms as the Company may deem fit.*
- xi. *To sell, improve, manage, develop, exchange, lease mortgage, dispose of, turn to account or otherwise deal with all or any part of the properties and rights of the Company.*
- xii. *To carry on the business of manufacturers, buyers, sellers, dealers, packers, indenters, commission agents, importers, exporters, processors, traders, distributors and/or otherwise deal in chemicals of any nature, chemical compounds, chemical products and intermediates, organic and inorganic chemicals, including textile/ leather/ rubber electronic/*

agricultural/ photographic/ laboratory / pharmaceutical / dyes / paint / surface coating chemicals / petrochemicals / plastics / polymers / resins / coated powder & minerals / synthetic chemicals / biotechnology & bio chemicals / enzymes / fermentation chemical products and all byproducts thereof.

xiii. To carry on all or any business relating to financial services, factoring, money lending, hire purchases, leasing, banking, merchant banking, mutual funds, share broking, share registry and consultancy, trustee and like business.

4.2 Parteek Finance and Investment Company Limited ('Parteek' or 'Amalgamating Company')

- (a) Parteek Finance and Investment Company Limited was incorporated on June 4, 1983 under the Companies Act, 1956 under the name and style of "Parteek Finance and Investment Company Limited".
- (b) The registered office of Parteek is situated at 145, Tribhuvan Complex, Ishwar Nagar, Mathura Road, Delhi – 110065, India.
- (c) Parteek is the holding company of PI Industries Limited and forms part of its Promoter Group
- (d) The authorized, issued, subscribed and paid-up share capital of Parteek as on March 31, 2014 is as under:

Particulars	As at March 31, 2014 (Rs.)
Authorized Share Capital	
23,00,000 Equity Shares of Rs. 10/- each	2,30,00,000
Total	2,30,00,000
Issued, Subscribed and Paid-up	
10,00,757 Equity Shares of Rs. 10/-each fully paid up	1,00,07,570
Total	1,00,07,570

Subsequent to March 31, 2014 there has been no change in the issued, subscribed and paid up share capital of Parteek.

The Equity Shares of Parteek are not listed on any Stock Exchange.

- (e) The main objects of Parteek as set out in its Memorandum of Association are as under:-

- i. To carry on the business of financing industrial enterprises.
- ii. To invest in, but, sell, transfer, hypothecate, deal in and dispose of any shares, stocks debentures (whether perpetual or redeemable debentures), debenture stocks, securities, properties of any other company including securities of any Government, Local Authority, bonds and Certificates.

- iii. *Subject to Section 58A of the Act and Regulations made thereunder and directions issued by Reserve Bank of India, to receive money, deposits on interest or otherwise and to lend money, and negotiate loans with or without security to such companies, firms or persons, and on such terms as may seem expedient, and to guarantee the performance of contracts by any person, companies or firms.*
- iv. *To carry on in all their respective branches the business of Promoters, Investment Consultants and Investment.*
- v. *To act as brokers and underwriters and to given any guarantee for the payment of money or the performance of any obligation or underwriting.*
- vi. *To secure sound investments of foreign capital in Indian undertakings and enterprises and Indian Capital in foreign undertakings and enterprises.*
- vii. *To invest in, acquire, deal in bullion, other precious metals, precious stones jewellery and buy, sell and deal, wholesale and retail, import and export in bullion, precious metals, precious stones, jewellery and articles made of precious metals, precious stones, articles of virtue and objects of art.*
- viii. *To carry on the business of leasing all types of industrial and office plant, equipment, machinery, vehicles, building and real estate required for manufacturing processing, transportation and trading business and other commercial and service businesses.*

5. Rationale for the Scheme of Amalgamation–

- (a) Parteek is the holding company of PIIL and forms part of its Promoter Group. It holds 7,38,51,390 equity shares in PIIL constituting 54.26% of PIIL's paid-up equity share capital. Pursuant to the proposed amalgamation, individual promoters of PIIL ('Promoters') would directly hold shares in PIIL and there would be no holding company of PIIL.
 - (b) This amalgamation would not only lead to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with PIIL.
 - (c) There would be no change in the promoter shareholding of PIIL. The promoters would continue to hold the same percentage of shares in PIIL, pre and post the amalgamation of Parteek into PIIL.
 - (d) All costs, charges, taxes including duties, levies and all other expenses, if any, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Promoters and / or Parteek. No cost, charges, taxes pertaining to the Scheme shall be borne by PIIL.
- Further, the Scheme also provides that Promoters shall indemnify PIIL and keep PIIL indemnified for any contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party(ies) including Governmental authorities on PIIL and are directly relatable to Parteek or which may devolve on PIIL on account of this amalgamation.

- (e) The Scheme is not prejudicial to the interest of the Shareholders as well as Creditors of the company involved in the scheme.
- (f) Accordingly, the Board of Directors of the Company, at its meeting held on February 12, 2014, considered and approved, subject to the requisite approvals and permissions of the shareholders and the creditors, the concerned stock exchanges and subject to the sanction by the appropriate bench of the High Court of Delhi and the High Court of Rajasthan, Jodhpur and in accordance with the regulations/guidelines, if any, prescribed by the Securities and Exchange Board of India or any other relevant authority from time to time to the extent applicable and subject to such approvals, consents, permissions and sanctions of the appropriate authorities as may be necessary/required and subject to such conditions as may be prescribed, directed or made by any of them while granting such approvals, consents and permissions, Amalgamation of Parteeek Finance and Investment Company Limited with PI Industries Limited through a Court approved Scheme of Amalgamation.
6. The Scheme along with the report on fairness of the scheme submitted by Corporate Professionals Capital Private Limited, Merchant Banker was placed before the Audit Committee on February 12, 2014. Based upon the fairness report the Scheme was approved by the Audit Committee of PIIL.
7. The indicative Pre and Post amalgamation shareholding pattern of PI Industries Limited based on March 31, 2014 shareholding is as under:

Pre – Amalgamation Shareholding Pattern

Category of Shareholder	Total No. of Shares	Total Shareholding As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group		
(1) Indian		
Individuals / Hindu Undivided Family	58,68,720	4.31
Bodies Corporate	7,38,51,390	54.26
Sub Total	7,97,20,110	58.57
(2) Foreign		
Total shareholding of Promoter and Promoter Group (A)	7,97,20,110	58.57
(B) Public Shareholding		
(1) Institutions		
Mutual Funds / UTI	72,10,014	5.30
Financial Institutions / Banks	8,123	0.01
Insurance Companies	0	0

Foreign Institutional Investors	2,69,64,074	19.81
(2) Non-Institutions		
Bodies Corporate	33,18,058	2.44
Individuals		
Individual shareholders holding nominal share capital up to Rs. 1 lakh	64,04,955	4.71
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	33,17,748	2.44
Any Others (Specify)	91,65,998	6.73
Clearing Members	6,47,038	0.48
Directors & their Relatives & Friends	20,35,033	1.50
Non Resident Indians	4,21,620	0.31
Trusts	16,33,755	1.20
Hindu Undivided Families	0	0
Foreign Corporate Bodies	42,41,974	3.12
Total (A)+(B)	13,61,09,080	100.00
(C) Shares held by Custodians and against which Depository Receipts have been issued		
(1) Promoter and Promoter Group	0	0
(2) Public	0	0

Post Amalgamation ± Shareholding Pattern

Category of Shareholder	Total No. of Shares	Total Shareholding As a % of (A+B+C)
(A) Shareholding of Promoter and Promoter Group		
(1) Indian		
Individuals / Hindu Undivided Family	7,97,20,110	58.57
Bodies Corporate	-	-

(2) Foreign	-	-
Total shareholding of Promoter and Promoter Group (A)	7,97,20,110	58.57
(B) Public Shareholding		
(1) Institutions		
Mutual Funds / UTI	72,10,014	5.30
Financial Institutions / Banks	8,123	0.01
Insurance Companies	0	0
Foreign Institutional Investors	2,69,64,074	19.81
Sub Total	3,41,82,211	25.11
(2) Non-Institutions		
Bodies Corporate	33,18,058	2.44
Individuals		
Individual shareholders holding nominal share capital up to Rs. 1 lakh	64,04,955	4.71
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	33,17,748	2.44
Any Others (Specify)	91,65,998	6.73
Clearing Members	6,47,038	0.48
Directors & their Relatives & Friends	20,35,033	1.50
Non Resident Indians	4,21,620	0.31
Trusts	16,33,755	1.20
Hindu Undivided Families	0	0
Foreign Corporate Bodies	42,41,974	3.12
Sub Total	2,22,06,759	16.32
Total Public shareholding (B)	5,63,88,970	41.43
Total (A)+(B)	13,61,09,080	100.00
(C) Shares held by Custodians and against which Depository Receipts have been issued		
(1) Promoter and Promoter Group	0	0
(2) Public	0	0
Sub Total	0	0
Total (A)+(B)+(C)	13,61,09,080	100.00

8. **Salient features of the Scheme are as under :-**

[Clause numbers mentioned below are as assigned in the Scheme]

- a) The Scheme provides for Amalgamation of Parteek Finance and Investment Company Limited ("Parteek") with PI Industries Limited ("PIIL") through a Court approved Scheme of Amalgamation pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 and Companies Act, 2013 including any statutory modification or re-enactments thereof for the time being in force.
- b) **"Appointed Date"** means the 1st day of April, 2014, or such other date as may be fixed or approved by the Hon'ble High Court of Delhi at New Delhi and/or Hon'ble High Court of Rajasthan, Jodhpur or National Company Law Tribunal or any other appropriate authority.
- c) **"Effective Date"** means the date on which certified copy(s) of the Order of the Hon'ble High Court of Delhi at New Delhi and Hon'ble High Court of Rajasthan, Jodhpur or National Company Law Tribunal or any other appropriate authority sanctioning this Scheme are filed with the Registrar of Companies, NCT of Delhi and Registrar of Companies, Jaipur and if filed on different dates, the last of such dates.
- d) The Scheme provides that with effect from the Appointed Date or such other date as may be fixed or approved by the High Courts or NCLT or any other appropriate authority and upon the Scheme becoming effective, the entire business and whole of the undertaking(s), property and liabilities of the Amalgamating Company shall, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, and pursuant to the order of the High Courts or NCLT or other appropriate authority, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and / or deemed to be transferred to and vested in the Amalgamated Company, so as to become the properties and liabilities of the Amalgamated Company in accordance with Section 2(1B) of the Income Tax Act, 1961.
- e) 7,38,51,390 (Seven Crore Thirty Eight Lacs Fifty One Thousand Three Hundred and Ninety) fully paid up Equity Shares of the face value of Re. 1/- (Rupee One) each credited as fully paid up in the share capital of the Amalgamated Company will be issued to the shareholders of the Amalgamating Company in the proportion of their respective shareholding in the Amalgamating Company as on the Record Date upon the effectiveness of the Scheme.
- f) Upon New Equity Shares being issued and allotted by the Amalgamated Company to the shareholders of the Amalgamating Company, the investment held by the Amalgamating Company in the share capital of the Amalgamated Company shall, without any further application, act, instrument or deed stand cancelled.
- g) With effect from the Appointed Date and upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation of the Amalgamating Company in its books of accounts as per the 'Purchase Method', as described in Accounting Standard - 14 "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India.
- h) On the Scheme becoming effective, all staff, workmen and employees of the Amalgamating Company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Amalgamated Company with effect from

the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Amalgamated Company shall be the same as their existing terms of employment in the Amalgamating Company, on the Effective Date.

- i) Upon the Scheme becoming effective, the authorized share capital of the Amalgamated company of Rs. 70,00,00,000/- (Rupees Seventy Crores only) comprising of 20,00,00,000 (Twenty Crores) Equity Shares of Re. 1/- (Rupee One only) each amounting to Rs. 20,00,00,000/- (Rupees Twenty Crores only) and 50,00,000 (Fifty Lakhs) Preference Shares of Rs. 100/- (Rupees Hundred only) each amounting to Rs. 50,00,00,000/- (Rupees Fifty Crores only) shall stand enhanced to an amount of Rs. 72,30,00,000/- (Rupees Seventy Two Crores Thirty Lakhs only) divided into 22,30,00,000 (Twenty Two Crores Thirty Lakhs) equity shares of Re. 1/- (Rupee One only) each amounting to Rs. 22,30,00,000/- (Rupees Twenty Two Crores Thirty Lakhs only) and 50,00,000 Preference Shares (Fifty Lakhs) of Rs. 100/- (Rupees Hundred only) each amounting to Rs. 50,00,00,000/- (Rupees Fifty Crores only).
- j) This Scheme is and shall be conditional upon and subject to:
 - i. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and / or creditors of the Amalgamating Company and the Amalgamated Company, as prescribed under the Act and as may be directed by the High Courts or NCLT or any other appropriate authority as may be applicable;
 - ii. The sanction of this Scheme by the High Courts or NCLT or any other appropriate authority under Sections 391 to 394 and other applicable provisions, if any of the Act in favour of the Amalgamating Company and the Amalgamated Company;
 - iii. Certified or authenticated copy of the orders of the High Courts or NCLT sanctioning the Scheme being filed with the Registrar of Companies, NCT of Delhi and Registrar of Companies, Jaipur by the Amalgamating Company and the Amalgamated Company, respectively;
 - iv. The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme; and
 - v. Approval and agreement by the public shareholders of PI Industries Limited through resolution passed through postal ballot and e-voting (after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution), and the votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it in accordance with the SEBI circular no. CIR/CFD/DIL/5/2013 issued on February 04, 2013 and SEBI circular no. CIR/CFD/DIL/8/2013 issued on May 21, 2013 subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time.

k) The Scheme provides that in the event of any of the sanctions and approvals not being obtained and / or the Scheme not being sanctioned by the High Courts or NCLT or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Promoters and / or the Amalgamating Company shall bear and pay costs, charges and expenses for and or in connection with the Scheme.

l) The Scheme provides that the Amalgamating Company and the Amalgamated Company, by their respective Board of Directors (or committees of their respective Board of Directors) may assent to any modifications / amendments to the Scheme or to any conditions or limitations that the Court and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the their respective Board of Directors (or committees of their respective Board of Directors). The Amalgamating Company and the Amalgamated Company, by their respective Board of Directors (or committees of their respective Board of Directors), be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

m) The Scheme also provides that all costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Company and the Amalgamated Company arising out of or incurred in carrying out and implementing this Scheme (including in relation to issuance of shares by the Amalgamated Company) and matters incidental thereto shall be borne by the Promoters and / or the Amalgamating Company.

The features set out above being only the salient features of the Scheme of Amalgamation, the Unsecured Creditors of PI Industries Limited are requested to read the entire text of the Scheme of Amalgamation to get themselves fully acquainted with the provisions thereof.

9. No investigation proceedings have been instituted or are pending in relation to the Amalgamated company and Amalgamating company under Sections 235 to Section 250 of the Companies Act, 1956 or under the corresponding notified provisions of the Companies Act, 2013.
10. The Company has obtained the approval to the Scheme, in terms of Clause 24(f) of the Listing Agreement from National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") vide their letters dated May 16, 2014 with Ref No:NSE/LIST/239047-6 and DCS/AMAL/PS/24(f)/045/2014-15 respectively.
11. The Directors of the respective Companies may be deemed to be concerned and/ or interested in the Scheme to the extent of their shareholding in the companies, or to the extent the said Directors are common Directors in the companies, or to the extent the said Directors are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust, that hold shares in any of the companies.

12. The extent of the Shareholding of Directors either singly or jointly or as nominee as on March 31, 2014 is as under:

Name of Directors	Equity Shares held in the Amalgamating Company	Equity Shares held in the Amalgamated Company
Directors of the Amalgamating Company		
Mr. Rajesh Kumar Goyal (DIN No. 00906249)	Nil	Nil
Mr Sunny Varghese (DIN No.02082810)	Nil	Nil
Mr. Ajit Kothari (DIN No. 02085070)	Nil	Nil
Directors of the Amalgamated Company		
Mr. Salil Singhal (DIN No. 00006629)	5,15,650	9,06,390
Mr. Mayank Singhal (DIN No. 00006651)	3,050	2,20,260
Mr. Rajnish Sarna (DIN No 06429468)	Nil	1,74,303
Mr. Raj Kaul (DIN No. 00394139)	Nil	Nil
Mr. Narayan K. Seshadri (DIN No. 00053563)	Nil	13,08,780
Mr. Bimal Kishore Raizada (DIN No. 00102436)	Nil	Nil
Mr. Pravin K. Laheri (DIN No. 00499080)	Nil	Nil
Mr. Ramni Nirula (DIN No. 00015330)	Nil	Nil
Mr. Anurag Surana (DIN No. 00006665)	Nil	1,09,440
Mr. Venkatrao S. Sohoni (DIN No. 00012010)	Nil	Nil

13. The Draft Scheme of Amalgamation along with related documents was hosted on the website of the Amalgamated Company, National Stock Exchange of India Limited and Bombay Stock Exchange Limited and was open for complaints/ comments for a period of 21 Days from March 20, 2014 to April 09, 2014. During the above period the Amalgamated Company has not received any complaint/comment and accordingly a Nil complaints report was filed with the respective stock exchanges on April 11, 2014.

14. The rights and interests of the equity shareholders, secured creditors or unsecured creditors of the Amalgamated Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.

15. This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956.

The following documents will be available for inspection on all working days (except Saturdays, Sundays and public holidays) during business hours at the Registered Office of the Amalgamated Company at Udaisagar Road, Udaipur-313001, Rajasthan upto the date of the court convened meeting or or at the office of the Advocates of the Amalgamated company i.e. ChirAmrit Law Chambers, 6th Floor, 'Unique Destination', Opp. Times of India, Tonk Road, Jaipur-302015 upto the date of the court convened meeting.:

- a. Copy of the Order dated 19th September, 2014 of the High Court of Rajasthan, Jodhpur passed in Company Application (M) No 6 of 2014 directing the convening of the meeting of the Equity Shareholders and Unsecured Creditors of the Amalgamated company;
- b. Copy of Scheme of Amalgamation;
- c. Memorandum and Articles of Association of Parteek and PI Industries Limited;
- d. Audited Financial Statements of Parteek and PI Industries Limited for the financial year ending March 31, 2014;
- e. Valuation Report dated February 5, 2014 issued by M/s. JN Sharma & Co, Chartered Accountants;
- f. Fairness Opinion dated February 7, 2014 issued by Corporate Professionals Capital Private Limited, Merchant Banker;
- g. Copy of Observation letters dated Mar 16, 2014 from National Stock Exchange of India Limited and Bombay Stock Exchange Limited conveying no objection for filing the Scheme with the High Courts; and
- h. Copy of Complaints Report dated April 11, 2014 submitted by the Company to National Stock Exchange of India Limited and Bombay Stock Exchange Limited and also uploaded on the Company Website.

16. On the Scheme being approved as per the requirements of Section 391 of the Companies Act, 1956, the Amalgamated Company will seek the sanction of the Hon'ble High Court of Rajasthan, Jodhpur for sanction of the Scheme.

Sd/-

Dinesh Mehta, Advocate

Chairman appointed for the meeting by the Court.

Dated this 1st day of October, 2014
PI Industries Limited
CIN: L24211RJ1946PLC000469
Registered Office: Udaisagar Road, Udaipur - 313001
Rajasthan (India)

Website: www.piindustries.com

SCHEME OF AMALGAMATION

BETWEEN

PARTEEK FINANCE AND INVESTMENT COMPANY LIMITED

AND

PI INDUSTRIES LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

(A) BACKGROUND AND DESCRIPTION OF COMPANIES WHO ARE PARTIES TO THE SCHEME

1. **Parteek Finance and Investment Company Limited** (hereinafter called '**Parteek**'), has its registered office at 145, Tribhuvan Complex, Ishwar Nagar, Mathura Road, Delhi – 110065. Parteek is the holding company of PI Industries Limited and it is not listed on any stock exchange. Entire share capital and management control of Parteek is with the promoters of PI Industries Limited.
2. **PI Industries Limited** (hereinafter called '**PIIL**'), has its registered office at Udaisagar Road, Udaipur - 313 001, Rajasthan. PIIL is engaged in the business of Agri Inputs and Custom Synthesis & Contract manufacturing of agro chemicals, intermediates and other niche fine chemicals. The equity shares of PIIL are presently listed on the National Stock Exchange of India Limited (hereinafter called 'NSE') and the BSE Limited (hereinafter called 'BSE').

(B) PURPOSE AND RATIONALE OF THE SCHEME OF AMALGAMATION

This Scheme of Amalgamation (hereinafter called '**Scheme**') has been propounded under Sections 391 to 394 read with Section 100 to 103 and other applicable provisions, if any, of the Companies Act, 1956 and corresponding sections of the Companies Act, 2013 (as and when such corresponding sections are notified in the Official Gazette by the Central Government) for amalgamation of Parteek having its registered office at 145, Tribhuvan Complex, Ishwar Nagar, Mathura Road, Delhi – 110065 with PIIL, having its registered office at Udaisagar Road, Udaipur - 313 001, Rajasthan.

Parteek is the holding company of PIIL and forms part of its Promoter Group. It holds 7,38,51,390 equity shares in PIIL constituting 54.26% of PIIL's paid-up equity share capital. Pursuant to the proposed amalgamation, individual promoters of PIIL ('Promoters') would directly hold shares in PIIL and there would be no holding company of PIIL.

This amalgamation would not only lead to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with PIIL.

There would be no change in the promoter shareholding of PIIL. The promoters would continue to hold the same percentage of shares in PIIL, pre and post the amalgamation of Parteek into PIIL.

All costs, charges, taxes including duties, levies and all other expenses, if any, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Promoters and / or Parteek. No cost, charges, taxes pertaining to the Scheme shall be borne by PIIL.

Further, the Scheme also provides that Promoters shall indemnify PIIL and keep PIIL indemnified for any contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party(ies) including Governmental authorities on PIIL and are directly relatable to Parteek or which may devolve on PIIL on account of this amalgamation.

In consideration of the above mentioned rationale and related benefits, this Scheme between Parteek and PIIL is being proposed in accordance with the terms set out hereunder.

(C) PARTS OF THE SCHEME OF AMALGAMATION:

This Scheme of Amalgamation is divided into the following parts:

1. **PART I** - Definitions and Share Capital;
2. **PART II** – Amalgamation of Parteek Finance and Investment Company Limited with PI Industries Limited;
3. **PART III** – General Terms and Conditions.

PART – I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned therein below:

- 1.1 **“Act” or “The Act”** means the Companies Act, 1956, including the rules and regulations made thereunder and will include any statutory modifications, re-enactments and / or amendments thereof and also mean and refer to corresponding sections of the Companies Act, 2013 as and when such corresponding sections are notified in the Official Gazette by the Central Government.
- 1.2 **“Appointed Date”** means April 1, 2014 or such other date as may be fixed or approved by the Hon'ble High Court of Delhi at New Delhi and/or Hon'ble High Court of Rajasthan, Jodhpur or National Company Law Tribunal or any other appropriate authority.
- 1.3 **“Effective Date”** means the date on which certified copy(s) of the Order of the Hon'ble High Court of Delhi at New Delhi and Hon'ble High Court of Rajasthan, Jodhpur or National Company Law Tribunal or any other appropriate authority sanctioning this Scheme are filed with the Registrar of Companies, NCT of Delhi and Registrar of Companies, Jaipur and if filed on different dates, the last of such dates.
- 1.4 **“High Courts” or “Courts”** means the High Court of Delhi at New Delhi, High Court of Rajasthan, Jodhpur and shall include National Company Law Tribunal (“NCLT”), if applicable.
- 1.5 **“Parteek” or “the Amalgamating company”** means Parteek Finance and Investment Company Limited, a company incorporated under the Act and having its registered office at 145, Tribhuvan Complex, Ishwar Nagar, Mathura Road, Delhi – 110065.
- 1.6 **“PIIL” or “the Amalgamated company”** means PI Industries Limited, a company incorporated under the Act and having its registered office at Udaisagar Road, Udaipur - 313 001, Rajasthan.
- 1.7 **“Record Date”** means the date to be fixed by the Board of Directors or its committee thereof of the Amalgamating company and the Amalgamated company for the purpose of determining the members of the Amalgamating company to whom shares will be allotted pursuant to Clause 5.1 of this Scheme.
- 1.8 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation, in its present form or with any modification(s) made or to be made and approved under Clause 17 of this Scheme.
- 1.9 In this Scheme, unless the context otherwise requires:
 - a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
 - b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
 - c) words in the singular shall include the plural and vice versa;
 - d) any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date; and

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

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1 The Scheme set out herein in its present form or with any modification(s) approved or directed by the High Courts or NCLT or any other appropriate authority shall be operative from the Appointed Date but shall be effective from the Effective Date.

3. SHARE CAPITAL

- 3.1 The Share Capital of Parteek as on December 31, 2013 is as under:

Particulars	As at December 31, 2013 (Rs.)
Authorized Share Capital	
23,00,000 Equity Shares of Rs. 10/- each	2,30,00,000
Total	2,30,00,000
Issued, Subscribed and Paid-up	
10,00,757 Equity Shares of Rs. 10/-each fully paid up	1,00,07,570
Total	1,00,07,570

Subsequent to December 31, 2013, there has been no change in the issued, subscribed and paid-up capital of Parteek.

- 3.2 The Share Capital of PIIL as on December 31, 2013 is as under:

Particulars	As at December 31, 2013 (Rs.)
Authorized Share Capital	
20,00,00,000 Equity Shares of Rs.1/- each	20,00,00,000
50,00,000 Preference Shares of Rs.100/- each	50,00,00,000
Total	70,00,00,000
Issued	
13,62,85,655 Equity Shares of Re.1/- each	13,62,85,655
Subscribed and Paid-up	
13,61,09,080 Equity Shares of Rs.1/- each and Fully Paid up	13,61,09,080
Total	13,61,09,080

The difference between the issued and subscribed capital is on account of less number of shares allotted in right issue in earlier years

Subsequent to December 31, 2013, there has been no change in the issued, subscribed and paid-up capital of PIIL.

PART – II

AMALGAMATION OF PARTEEK WITH PIIL

4. TRANSFER AND VESTING OF BUSINESS AND UNDERTAKING

4.1 With effect from the Appointed Date or such other date as may be fixed or approved by the High Courts or NCLT or any other appropriate authority and upon the Scheme becoming effective, the entire business and whole of the undertaking(s), property and liabilities of the Amalgamating company shall, pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, and pursuant to the order of the High Courts or NCLT or other appropriate authority, if any, sanctioning the Scheme, shall without any further act, deed, matter or thing, stand transferred to and vested in and / or deemed to be transferred to and vested in the Amalgamated company, so as to become the properties and liabilities of the Amalgamated company in accordance with Section 2(1B) of the Income Tax Act, 1961.

4.2 Without prejudice to the generality of the above said Clause:

4.2.1 With effect from the Appointed Date, all the assets, rights and properties of the Amalgamating company (whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, present or future, existing or contingent, tangible or intangible) of whatsoever nature and wheresoever situate, of or belonging to or in the possession or control of the Amalgamating Company, as on the Appointed Date including but not limited to data processing equipment, computers and servers, computer software, furniture and fixtures, investments, office equipment, electrical installations, telephones, telex, facsimile, other communication facilities, any registrations, copyrights, permits, approvals, all rights or title or interest in property(ies) by virtue of any court order or decree, contractual arrangement, allotment, grant, lease, possession or otherwise, memorandum of understandings, tenancy rights, hire purchase contracts, lending contracts, permissions, incentives, tax registrations, advance tax credit, contracts, engagements, arrangements of all kinds, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Amalgamating company, industrial and other licenses, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, all records, files, papers, computer programs, manuals, data, quotations, list of present and former vendors and suppliers, and all other rights, title, lease, interest, contracts, consent, approvals or powers of every kind,

nature and descriptions whatsoever, shall under the provisions of Sections 391 to 394 of the Act and any other applicable provisions of the Act, and pursuant to the order of the High Courts or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges, if any affecting the same, as on the Effective Date be transferred to and / or deemed to be transferred to and vested in the Amalgamated company, so as to become the properties and assets of the Amalgamated company.

4.2.2 With respect to such assets and properties of the Amalgamating company as on the Effective Date, as are movable in nature and are capable of transfer by physical delivery or endorsement and delivery or novation and delivery, including cash in hand, the same shall be so transferred to the Amalgamated company and deemed to have been handed over by physical delivery or by endorsement and delivery or novation and delivery, as the case may be, to the Amalgamated company to the end and intent that the property and benefit therein passes to the Amalgamated company with effect from the Appointed Date.

4.2.3 In respect of the movable assets owned by the Amalgamating company as on the Effective Date, other than those mentioned in Clause 4.2.2 above, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, body corporate(s), customers etc., the Amalgamating company shall, if so required by the Amalgamated company, and / or the Amalgamated company may, issue notices or intimations in such form as the Amalgamated company may deem fit and proper, stating that pursuant to the High Courts or NCLT having sanctioned this Scheme, the debt, loan, advance or other asset, be paid or made good or held on account of the Amalgamated company, as the person entitled thereto, to the end and intent that the right of the Amalgamating company to recover or realize the same stands transferred to the Amalgamated company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

4.2.4 All assets and properties which are acquired by the Amalgamating company on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Amalgamated company and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or be deemed to be transferred to and vested in the Amalgamated company upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act and all other applicable provisions of the Act, provided however that no onerous asset shall have been acquired by the Amalgamating company after the Appointed Date without the prior written consent of the Amalgamated company.

4.3 With effect from the Appointed Date, all reserves, debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of the Amalgamating company shall be transferred or be deemed to have been transferred to the Amalgamated company, to the extent they are outstanding on the Effective Date, without any further act, deed, matter or thing and the same shall be assumed by the Amalgamated company so as to become, on and from the Appointed Date, the liabilities and obligations of the Amalgamated company on the same terms and conditions as were applicable to the Amalgamating company. The Amalgamated company shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by

virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

- 4.4 Where any of the debt, liabilities (including contingent liabilities), duties and obligations of the Amalgamating company as on the Appointed Date, deemed to be transferred to the Amalgamated company, have been discharged by the Amalgamating company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Amalgamated company, and all loans raised and used and all liabilities and obligations incurred by the Amalgamating company 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 the Amalgamated company, and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to the Amalgamated company and shall become the liabilities and obligations of the Amalgamated company on same terms and conditions as were applicable to the Amalgamating company. The Amalgamated company shall undertake to meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause.

5. **CONSIDERATION**

- 5.1 Upon this Scheme becoming effective and in consideration for the transfer and vesting of the undertaking comprising of assets and liabilities of the Amalgamating company into the Amalgamated company, the Amalgamated company shall, without any further application or deed, issue and allot Equity Shares to Equity shareholders of the Amalgamating company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title, as may be recognized by the Board of Directors or its committee thereof of the Amalgamated company and approved by them, and whose names appear in the Register of Members of the Amalgamating company on the Record Date, equity shares in its share capital at par, (hereinafter referred as New Equity Shares) in the following proportion:
- 5.1.1 7,38,51,390 (Seven Crore Thirty Eight Lacs Fifty One Thousand Three Hundred and Ninety) fully paid up Equity Shares of the face value of Re. 1/- (Rupee One) each credited as fully paid up in the share capital of the Amalgamated company in the proportion of the Equity Shareholders' holding in the Amalgamating company .
- 5.1.2 The fractional entitlement, if any, to which shareholders of the Amalgamating company may become entitled to upon issue of New Equity Shares pursuant to clause 5.1.1 above would be rounded off by the Amalgamated company to the nearest integer. However, in no event, the number of New Equity Shares to be allotted by the Amalgamated company to the shareholders of the Amalgamating company shall exceed the total number of equity shares held by the Amalgamating company in the Amalgamated company.
- 5.2 The New Equity Shares in the Amalgamated company, to be issued to the members of the Amalgamating company pursuant to Clause 5.1 above, shall be subject to the Memorandum and Articles of Association of the Amalgamated company and shall rank paripassu, with the existing equity shares of the Amalgamated company.
- 5.3 Upon New Equity Shares being issued and allotted by the Amalgamated company to the shareholders of the Amalgamating company, in accordance with clause 5.1 above, the investment held by the Amalgamating company in the share capital of the Amalgamated company shall, without any further application, act, instrument or deed stand cancelled. The shares held by the

Amalgamating company in dematerialized form shall be extinguished, on and from such issue and allotment of New Equity Shares.

- 5.4 Such reduction of share capital of Amalgamated company as provided in Clause 5.3 above shall be effected as an integral part of the Scheme and the orders of the High Courts sanctioning the Scheme shall be deemed to be an order under Section 100-103 and any other applicable provisions of the Act confirming the reduction. The Amalgamated company shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.
- 5.5 Upon New Equity Shares being issued and allotted by the Amalgamated company to the members of the Amalgamating company, in accordance with Clause 5.1, the share certificates in relation to the shares held by the said members in the Amalgamating company shall be deemed to have been cancelled and extinguished and be of no effect on and from such issue and allotment.
- 5.6 New Equity Shares to be issued by the Amalgamated company pursuant to Clause 5.1 above shall be issued in dematerialized form by the Amalgamated company. In that relation, the members of the Amalgamating company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event any member has not provided the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required or if the details furnished by any member do not permit electronic credit of the shares of the Amalgamated company, then the Amalgamated company shall issue New Equity Shares in physical form to such member or members.
- 5.7 New Equity Shares of the Amalgamated company issued in terms of Clause 5.1 of this Scheme will be listed and/ or admitted to trading on the NSE and BSE where the shares of the Amalgamated company are listed and/or admitted to trading in terms of the Listing Agreement.
- 5.8 The Amalgamated company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges. On such formalities being fulfilled the said Stock Exchanges shall list and/or admit such New Equity Shares for the purpose of trading.
- 5.9 The issue and allotment of equity shares by the Amalgamated company to the members of the Amalgamating company pursuant to Clause 5.1 above is an integral part of this Scheme.
- 5.10 The approval of this Scheme by the members of the Amalgamated company shall be deemed to be due compliance of the provision of Section 81 (1A) and other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by the Amalgamated company to the members of the Amalgamating company, as provided in this Scheme.

6. INCREASE IN AUTHORISED SHARE CAPITAL OF THE AMALGAMATED COMPANY

- 6.1 Upon the Scheme becoming effective, the authorized share capital of the Amalgamated company in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Amalgamated company by the authorized share capital of the Amalgamating company of Rs.2,30,00,000 (Rupees Two Crore Thirty Lakhs) and the Memorandum of Association and Articles of Association of the Amalgamated company (relating

to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution(s) under Section 16, 31, 94 and 394 and other applicable provisions of the Act, would be required to be separately passed and for this purpose the stamp duties and fees paid on the authorized share capital of the Amalgamating company shall be utilized and applied to the increased authorized share capital of the Amalgamated company and no payment of any extra stamp duty and / or fee shall be payable by the Amalgamated company for increase in the authorized share capital to that extent.

- 6.2 Accordingly, in terms of the Scheme, the authorized share capital of the Amalgamated company shall stand enhanced to an amount of Rs. 22,30,00,000/- (Rupees Twenty Two Crores Thirty Lakhs) divided into 22,30,00,000 (Twenty Two Crores Thirty Lakhs) equity shares of Re. 1/- (Rupees One) each. The Capital clause being Clause 5 of the Memorandum of Association of the Amalgamated company shall stand substituted to read as follows:

"The Authorized Share Capital of the Company is Rs. 72,30,00,000/- (Rupees Seventy Two Crores Thirty Lakhs only) divided in to 22,30,00,000 (Twenty Two Crores Thirty Lakhs) Equity Shares of Re. 1/- (Rupee one only) each; 50,00,000 (Fifty lac) Preference Shares of Rs. 100/- (Rupees Hundred only) each; with such rights, privileges and conditions attaching thereto as may for the time being be provided by the regulations of the Company. The Company shall have power to increase or reduce the capital or divide the capital for the time being in to several classes; to issue any shares with special rights or privileges as to voting, dividend (including rate of dividend of preference shares), repayment of capital or otherwise, or to subject the shares, to any restrictions, limitations and conditions and to vary, modify or abrogate any such rights, privileges, restrictions or conditions. The rights of the holders of any class of shares for the time being forming part of the capital of the Company may be modified, affected, varied, extended or surrendered in such manner as may for the time being be provided by the regulations of the Company."

- 6.3 Pursuant to this Scheme, the Amalgamated company shall file the requisite forms with the Registrar of Companies, Jaipur or any other applicable authority for such increase of the authorized share capital.

7. ACCOUNTING TREATMENT

With effect from the Appointed Date and upon the Scheme becoming effective, the Amalgamated company shall account for the amalgamation of the Amalgamating company in its books of accounts as per the 'Purchase Method', as described in Accounting Standard – 14 "Accounting for Amalgamations" issued by the Institute of Chartered Accountants of India, such that:

- 7.1 The investments in the equity share capital of the Amalgamated company as appearing in the books of accounts of the Amalgamating company shall stand cancelled.
- 7.2 The Amalgamated company shall, record all the assets and liabilities, of the Amalgamating company, vested in the Amalgamated company pursuant to this Scheme, at their existing carrying amounts

- 7.3 The Amalgamated company shall credit the aggregate face value of equity shares issued by it to the members of the Amalgamating company pursuant to Clause 5.1 of this Scheme to its Equity Share Capital Account in its books of accounts.
- 7.4 The difference between the excess of Net Assets of the Amalgamating company as per clause 7.2 above over the amount credited by the Amalgamated company to the Share Capital Account as per Clause 7.3 above and adjusted for cancellation of the investments in the equity share capital of the Amalgamated company as mentioned in Clause 7.1 above, would be recorded as Capital Reserve. The shortfall, if any shall be debited to the Goodwill Account of the Amalgamated company.
- 7.5 In case of any difference in accounting policy between the Amalgamating company and the Amalgamated company, the accounting policies followed by the Amalgamated company will prevail and the difference till the Appointed Date will be quantified and adjusted in the Capital Reserve / Goodwill Account to ensure that the financial statements of the Amalgamated company reflect the financial position on the basis of consistent accounting policy.

8. STAFF, WORKMEN AND EMPLOYEES

- 8.1 On the Scheme becoming effective, all staff, workmen and employees of the Amalgamating company in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Amalgamated company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Amalgamated company shall be the same as their existing terms of employment in the Amalgamating company, on the Effective Date.
- 8.2 It is expressly provided that, on the Scheme becoming effective, Provident Fund, Gratuity Account, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff, workmen and employees of the Amalgamating company shall be transferred to and shall get consolidated with the corresponding funds or accounts of the Amalgamated company. The Amalgamated company shall have the obligation to make contributions to the said Fund or account or Funds or accounts in accordance with the provisions thereof or as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Amalgamating company in relation to such Fund or account or Funds or accounts shall become those of the Amalgamated company. It is clarified that the services of the staff, workmen and employees of the Amalgamating company will be treated as having been continuous for the purpose of the said Fund or account or Funds or accounts. Until such time that the Amalgamated company creates or arranges for its own funds or accounts, the Amalgamated company may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Amalgamating company to the relevant fund or accounts of the Amalgamating company. Such contributions and other balances pertaining to the employees of the Amalgamating company shall be transferred to the funds or accounts created by the Amalgamated company on creation of relevant funds or arrangements or accounts by the Amalgamated company.

9. LEGAL PROCEEDINGS

- 9.1 All legal proceedings of whatsoever nature by or against the Amalgamating company, pending and / or arising on or after the Appointed Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by

anything contained in the Scheme but shall be continued and enforced by or against the Amalgamated company as the case may be, in the manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating company.

- 9.2 The Amalgamated company undertakes to have all legal and / or other proceedings initiated by or against the Amalgamating company referred to in Clause 9.1 above, transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated company, to the exclusion of the Amalgamating company.
- 9.3 After the Effective Date, the Promoters undertake to keep harmless and indemnify and keep indemnified from time to time the Amalgamated company from and against any contingent liabilities and obligations relatable to the Amalgamating company including all demands, claims, suits, proceedings and the like which have, shall or may be made or instituted by any person, authority, Government of India, firm, company, body corporate or organisation against the Amalgamated company, directly relating to the Amalgamating company and / or against any financial liability/claim that may arise against the Amalgamated company by virtue of transfer and vesting of the Amalgamating company into the Amalgamated company under and pursuant to this Scheme.

10. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

- 10.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance policies, indemnities, guarantees and other instruments of whatsoever nature in relation to the Amalgamating company, or to the benefit of which the Amalgamating company may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect, on or against or in favour of the Amalgamated company and may be enforced as fully and effectually as if, instead of the Amalgamating company, the Amalgamated company had been a party or beneficiary or obligee thereto or thereunder.
- 10.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney, if any given by, issued to or executed in favour of the Amalgamating company shall stand transferred to the Amalgamated company, as if the same were originally given by, issued to or executed in favour of the Amalgamated company, and the Amalgamated company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Amalgamated company. The Amalgamated company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.
- 10.3 The Amalgamated company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Amalgamating company to which the Amalgamating company is a party in order to give formal effect to the above provisions. The Amalgamated company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating company and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Amalgamating company.

11. OTHER ENTITLEMENTS

- 11.1 All cheques and other negotiable instruments, payment orders received in the name of the Amalgamating company after the Effective Date shall be accepted by the bankers of the Amalgamated company and credited to the account of the Amalgamated company. Similarly, the bankers of the Amalgamated company shall honour cheques issued by the Amalgamating company, which are presented after the Effective Date.

12. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

- 12.1 The Amalgamating company undertakes to preserve and carry on the business with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking 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 filing this Scheme with the High Courts; or
 - (b) if the same is expressly permitted by this Scheme; or
 - (c) if prior written consent of the Board of Directors or its committee thereof of the Amalgamated company has been obtained.
- 12.2 The Amalgamating company shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of the Amalgamating company for and on account of, and in trust for the Amalgamated company.
- 12.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes, if any, thereon), by the Amalgamating company, shall for all purposes, be treated as the profits or cash or losses, of the Amalgamated company.
- 12.4 All accretions and depletions to the Amalgamating company shall be for and on account of the Amalgamated company.
- 12.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by the Amalgamating company shall be deemed to have been exercised by the Amalgamating company for and on behalf of, and in trust for and as an agent of the Amalgamated company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Amalgamating company that have been undertaken or discharged by the Amalgamating company, shall be deemed to have been undertaken for and on behalf of and as an agent for the Amalgamated company.
- 12.6 The Amalgamating company shall not vary the terms and conditions of service of its employees except in the ordinary course of its business.

13. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Amalgamating company, pursuant to this Scheme, and the continuance of the legal proceedings by or against the Amalgamated company shall not affect any transactions or proceedings already completed by the Amalgamating company, on and after the Appointed Date, to the end and intent that the Amalgamated company accepts all acts, deeds and things done and executed by and / or on behalf of the Amalgamating

company, as acts, deeds and things done and executed by and / or on behalf of the Amalgamated company.

14. DISSOLUTION OF THE AMALGAMATING COMPANY

On the Scheme becoming effective, the Amalgamating company shall without any further act or deed stand dissolved without being wound up.

PART – III

GENERAL TERMS AND CONDITIONS

15. APPLICATION TO THE HIGH COURT OR NCLT

The Amalgamating company and the Amalgamated company shall, with all reasonable dispatch, make applications or petitions under Sections 391-394 and other applicable provisions of the Act to the High Court of Delhi at New Delhi and High Court of Rajasthan, Jodhpur or NCLT or any other appropriate authority, for sanction of this Scheme under the provisions of law.

16. APPROVAL OF THE SCHEME THROUGH POSTAL BALLOT

16.1 The approval of shareholders of the Amalgamated Company shall be obtained through a Special Resolution passed through Postal Ballot and e-Voting (after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution), The Scheme shall be acted upon only if the votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it in accordance with the Securities and Exchange Board of India ("SEBI") circular no. CIR/CFD/DIL/5/2013 issued on February 04, 2013 and SEBI circular no. CIR/CFD/DIL/8/2013 issued on May 21, 2013 subject to modification, if any, in accordance with any subsequent circulars and amendment that may be issued by SEBI from time to time.

17. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

17.1 The Amalgamating company and the Amalgamated company, by their respective Board of Directors (or committees of their respective Board of Directors) may assent to any modifications / amendments to the Scheme or to any conditions or limitations that the Court and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the their respective Board of Directors (or committees of their respective Board of Directors). The Amalgamating company and the Amalgamated company, by their respective Board of Directors (or committees of their respective Board of Directors), be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

17.2 The term 'any other Authority' referred to in the Clause 15 above, shall specifically include the Stock Exchanges with which the shares of the Amalgamated company are listed and with which the Amalgamated company will file a copy of the Scheme under sub-clause (f) of Clause 24 of the Listing Agreement of the respective Stock Exchanges.

18. CONDITIONALITY OF THE SCHEME

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

- 18.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and / or creditors of the Amalgamating company and the Amalgamated company, as prescribed under the Act and as may be directed by the High Courts or NCLT or any other appropriate authority as may be applicable.
- 18.2 The sanction of this Scheme by the High Courts or NCLT or any other appropriate authority under Sections 391 to 394 and other applicable provisions, if any of the Act in favour of the Amalgamating company and the Amalgamated company.
- 18.3 Certified or authenticated copy of the orders of the High Courts or NCLT sanctioning the Scheme being filed with the Registrar of Companies, NCT of Delhi and Registrar of Companies, Jaipur by the Amalgamating company and the Amalgamated company, respectively.
- 18.4 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

19. SEVERABILITY

If any provision of this Scheme is found to be unworkable for any reason whatsoever or unenforceable under the present or future Laws, then subject to the decision of the Amalgamating company and the Amalgamated company, such part shall be severable from the remainder of this Scheme and shall not affect the validity or implementation of the other parts and/or provisions of this Scheme.

20. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 18 not being obtained and / or the Scheme not being sanctioned by the High Courts or NCLT or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Promoters and / or the Amalgamating company shall bear and pay costs, charges and expenses for and or in connection with the Scheme.

21. SETTLEMENT OF DIFFERENCE OR ISSUE THROUGH ARBITRATION

If any doubt or difference or issue arise between the parties hereto or any of their shareholders, creditors, employees and any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability vested under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration of a sole arbitrator appointed by the consent of all the parties and law of arbitration, as in force shall apply.

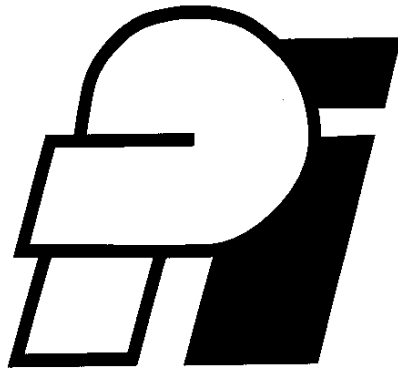
22. COSTS, CHARGES AND EXPENSES

On sanction and approval of the Scheme by the High Courts or NCLT or such other appropriate authority, if any, all costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating company and the Amalgamated company arising out of or incurred in carrying out and implementing this Scheme (including in relation to issuance of shares by the Amalgamated company) and matters incidental thereto shall be borne by the Promoters and / or the Amalgamating company.

=====XXX=====

FAIRNESS OPINION

PI INDUSTRIES LIMITED



Inspired by Science

February, 2014



STRICTLY PRIVATE & CONFIDENTIAL

To

Ref. No: CPC/MB/057/2013-14

The Board of Directors

P I Industries Limited

5th Floor, Vipul Square, B Block,

Sushant Lok, Phase 1, Gurgaon

Haryana- 122001

For the Kind Attention of Mr. Naresh Kapoor

Subject: Fairness Opinion on the Valuation of the Proposed Merger of Parteeek Finance and Investment Company Limited with P I Industries Limited.

Dear Sir,

This Fairness Opinion is in furtherance to our discussion and with reference to the captioned subject for the purpose of arriving at an opinion in respect of the proposed amalgamation of Parteeek Finance and Investment Company Limited, with P I Industries Limited

In terms of our discussions, we are enclosing our opinion along with this letter. Please note that this is just an opinion on the captioned subject on the basis of the documents submitted to us and does not constitute our Valuation Analysis.

This report is confidential and has been prepared exclusively for the management of P I Industries Limited. It should not be used for any other purpose without obtaining our prior written consent. However this Opinion may have to be filed with the Statutory Authorities. We provide our consent for the same.

All comments to this opinion must be read in conjunction with the Caveats to this opinion.

In case you require any additional information or clarifications, feel free to contact the undersigned.

Yours Faithfully,

Corporate Professionals Capital Private Limited

Sd/-

Sd/-

ChanderSawhneyManeesh Srivastava

Vice President

Sr. Manager

CONTEXT AND BACKGROUND

- We understand that P I Industries Limited (the Transferee Company) is listed at the BSE and NSE in India. It's Holding Company Parteeek Finance and Investment Company Limited Proposed to merge into it as per the scheme of Amalgamation, pursuant to Sections 391-394 and other applicable provisions of Companies Act, 1956.
- In accordance with Clause 24(h) of the Listing Agreement read with SEBI Circular CIR/CFD/DIL/5/2013, dated February 04, 2013 as applicable to the Listed Companies, the listed Company as well as the Unlisted Company required to obtain a "Fairness Opinion" on the Valuation of assets / Equity shares done by the Valuers for the Company and Unlisted Company from an independent Merchant Banker.

Clause 24(h) of the Listing Agreement reads as below-

The company agrees that in the explanatory statement forwarded by it to the shareholders u/s 393 or accompanying a proposed resolution to be passed u/s 100 of the Companies Act, it shall disclose the pre and post-arrangement or amalgamation (expected) capital structure and shareholding pattern, and the "fairness opinion" obtained from an Independent merchant bankers on Valuation of assets / Equity shares done by the Valuers for the company and unlisted company."

- With reference to the above, Corporate Professionals Capital Private Limited has been appointed as a Merchant Bankers by the Transferee and the Transferor Companies to provide the "fairness opinion" in accordance with the clause 24 of the Listing Agreement.

BRIEF ABOUT COMPANIES

PI Industries Ltd (herein after referred as "PIIL") was incorporated on 31, December 1946 (as Mewar Oil & General Mills Ltd.) with its registered office in the lake city of Udaipur, Rajasthan. The equity shares of PIIL are presently listed on the National Stock Exchange of India Limited and the BSE Limited

PI Industries Limited is engaged in the Business of Agri Inputs offering plant protection products, and speciality plant nutrient products and solutions & Custom Synthesis & Manufacturing for contract research and production of agro chemicals, intermediates and other niche fine chemicals for global innovators. Over the years, PIIL has built for its businesses an enviable reputation for integrity, straight-forward and just dealings for its innovative approach.

Parteek Finance and Investment Company Limited (herein after referred as "Parteek") has its registered office at 145, Tribhuvan Complex, Ishwar Nagar, Mathura Road, Delhi – 110065. Parteek is the holding company of PI Industries Limited and it is not listed on any stock exchange. Entire share capital and management control of "Parteek" is with the promoters of PI Industries Limited.

KEY FACTS OF THE SCHEME

"Parteek" is the holding company of "PIIL" and forms part of its Promoter Group. It holds 7,38,51,390 equity shares in PIIL constituting 54.26% of PIIL's paid-up equity share capital. Pursuant to the proposed Amalgamation, individual promoters of PIIL ('Promoters') would directly hold shares in "PIIL" and there would be no holding company of PIIL subsequently post Amalgamation.

There would be no change in the promoter shareholding of "PIIL". The promoters would continue to hold the same percentage of shares in PIIL, pre and post the amalgamation of Parteek into "PIIL".

VALUER ANALYSIS

- With reference to the Valuation report issued by "JN Sharma & Co, Chartered Accountants" The share exchange ratio of 7,38,51,390 fully paid up equity shares of face value of Re 1/- each of 'PIIL' to be issued and allotted to shareholders of "Parteek" in the proportion of their respective holding in "Parteek".
- The valuer recommended the above ratio as fair considering that all the shareholders of "Parteek" will, upon amalgamation, remain ultimate beneficial owner of "PIIL" in the amalgamated company in the same ratio (inter se) as before amalgamation.

CONCLUSION & OPINION

As per the scheme of Amalgamation the shareholders of "Parteek" will, upon amalgamation, remain ultimate beneficial owner of "PIIL" in the amalgamated company in the same ratio (inter se) as before amalgamation.

Subject to above, we as a Merchant Banker hereby certify that pursuant to Clause 24 of the listing agreement and SEBI circular dated February 04, 2013, we have reviewed the valuation report of JN Sharma & Co, Chartered Accountants and are of the opinion that it is fair and reasonable from the perspective of equity share holders of the company.

CAVEATS

- We wish to emphasize that, we have relied on explanations and information provided by the respective managements and accepted the information provided to us as accurate. Although, we have reviewed such data for consistency and reasonableness, we have not independently investigated or otherwise verified the data provided.
- We have not made an appraisal or independent valuation of any of the assets or liabilities of the companies and have not conducted an audit or due diligence or reviewed/validated the financial data except what is provided to us by the Companies.
- The scope of our work has been limited both in terms of the areas of the business and operations which we have reviewed and the extent to which we have reviewed them. There may be matters, other than those noted in this Report, which might be relevant in the context of the transaction and which a wider scope might uncover.
- In the past corporate professionals may have provided, and may currently or in the future provide consulting service to the company and has/ shall be receiving professional fee in return.
- Our Fairness Opinion should not be construed as investment advice;

Copy of Complaints Report submitted with Stock Exchanges by PI Industries Ltd

Company Name: PI Industries Ltd.

Complaints Report : From March 20, 2014 to April 09, 2014

Sub: Parteek Finance and Investment Company Limited ('Parteek' or 'the Amalgamating Company' or 'Transferor Company') and PI Industries Limited ('PIIL') or 'the Amalgamated Company or 'Transferee Company').

Part - A

S.No.	Particulars	Number
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchange	Nil
3	Total Number of complaints/comments received (1+2)	Nil
4	Number of complaints resolved	Not applicable
5	Number of complaints pending	Not applicable

Part - B

S.No.	Name of Complainant	Date of Complaint	Status (Resolved / Pending)
1	Not applicable	Not applicable	Not applicable

For PI Industries Ltd.

**Sd/-
Naresh Kapoor
Company Secretary**

Dated: April 11, 2014
Place: Gurgaon



Ref: NSE/LIST/239047-6

May 16, 2014

The Company Secretary
PI Industries Limited
P.B. No.20,
Udaisagar Rd.,
Udaipur –
313001.

Kind Attn.: Mr. Naresh Kapoor

Dear Sir,

Sub: Observation letter for the draft Scheme of Amalgamation between Parteek Finance and Investment Company Limited and PI Industries Limited and their respective shareholders and creditors.

This has reference to draft Scheme of Amalgamation between Parteek Finance and Investment Company Limited and PI Industries Limited and their respective shareholders and creditors submitted to NSE vide your letter dated March 20, 2014.

Based on our letter reference no Ref: NSE/LIST/237216-Y submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated May 16, 2014, has given following comments on the draft Scheme of Amalgamation:

"The company shall duly comply with various provisions of the Circulars."

Accordingly, we do 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 withdraw this No-objection approval 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 16, 2014, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited
Sd/-
Kamlesh Patel
Manager



BSE Limited Registered Office: Floor – 25, P J Towers, Dalal Street, Mumbai

Tel: +91 22 2272 1234/33 F: +91 222272 1003 www.bseindia.com

CIN No. U67120MH2005PLC155188

DCS/AMAL/PS/24(1)/045/2014-15

May 16, 2014

The Company Secretary
PI Industries Limited.
Udaisagar Road, Post Box No 20
Udaipur, Rajasthan-313001

Dear Sir / Madam,

Sub: Observation letter regarding the Scheme of Arrangement between
Parteek Finance & Investment Company Limited & PI Industries Limited

We are in receipt of draft Scheme of Arrangement involving merger of Parteek Finance & Investment Company Limited (Parteek) with the company.

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

The Exchange has noted the confirmation given by the Company stating that the scheme does not in any way violate or override or circumscribe the provisions of the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956, the rules, regulations and guidelines made under these Acts, and the provisions of the Listing Agreement or the requirements of BSE Limited (BSE).

As required under SEBI Circular No.CIR/CFD/DIL/5/2013 dated May 02, 2014 & SEBI Circular No.CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI has vide its letter dated May 16, 2014 given the following comment(s) on the draft scheme of arrangement:

> *The company shall duly comply with various provisions of the Circulars.*

Accordingly, we hereby convey Exchange's 'No-objection' with limited reference to those matters having bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable you to file the scheme with the Hon'ble High Court.

Further, you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also mention the same in your application for approval of the scheme of arrangement submitted to the Hon'ble High Court.

The Exchange reserves its right to withdraw its No-objection/approval 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.

Yours faithfully

Sd/-
Bhuwana Sriram
Dy. Manager

Sd/-
Pooja Sanghvi
Asst. Manager

**IN THE HIGH COURT OF JUDICATURE FOR RAJASTHAN
AT JODHPUR
Original Jurisdiction
IN THE MATTER OF SCHEME OF AMALGAMATION UNDER SECTION 391 TO
394 OF THE COMPANIES ACT, 1956
AND
IN THE MATTER OF AMALGAMATION OF PARTEEK FINANCE AND
INVESTMENT COMPANY LIMITED WITH PI INDUSTRIES LIMITED
S.B. Company Application No.6 of 2014**

**PI Industries Limited, a company incorporated under the Companies Act, 1956
having its Registered Office at Udaisagar Road, Udaipur – 313001 (Rajasthan) -**

.....Applicant Company

AND

**Parteek Finance and Investment Company Limited (hereinafter called 'Parteek')
a company incorporated under the Companies Act, 1956 having its registered
office at 145, Tribhuvan Complex, Ishwar Nagar, Mathura Road, Delhi-110065**

.....Non Applicant Company

FORM OF PROXY

**I/We, the undersigned Unsecured Creditor PI Industries Limited, hereby 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 **Unsecured Creditors of above Rs. 5 (five)Lakh of
the PI Industries Limited (Applicant Company)** to be held on **1st November, 2014
at 11:00 A.M.** at the registered office of the Applicant Company at Udaisagar Road,
Udaipur – 313001 (Rajasthan) for the purpose of considering and, if thought fit,
approving, with or without modification, a Scheme of Amalgamation proposed to be
made between the Applicant Company and the Non-Applicant Company and their
respective shareholders and creditors and at such meeting and any adjournment
thereof, to vote, me/us and in my/our name _____**

the said Scheme of Amalgamation either with or without modification as my/our Proxy may approve.

Dated this _____ day of _____, 2014

(strike whichever is not applicable)

Affix
Revenue
Stamp and
Sign

Name: _____

Address: _____

Signature of Unsecured Creditor(s): _____

Signature of Proxy: _____

If you want to vote in favour of the Scheme put "**FOR**" and in case you intend to vote against the Scheme put "**AGAINST**" and in the latter case, strike out all the words after the words "the said Scheme"

Notes:

1. Please affix revenue stamp for the appropriate value and sign across the stamp.
2. **THE PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF PI INDUSTRIES LIMITED NOT LESS THAN 48 HOURS BEFORE THE TIME SCHEDULED FOR HOLDING THE SAID MEETING.**
3. All alterations made in the Proxy Form must be initialed.
4. Proxy need not be a unsecured creditor.

PI Industries Limited

Registered Office: Udaisagar Road, Udaipur-313001, Rajasthan

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

I _____ hereby record my presence at the Meeting of the Unsecured Creditors of PI Industries Limited, the Amalgamated company, convened pursuant to an Order dated 19th day of September, 2014 of the Hon'ble High Court of Rajasthan, Jodhpur at Registered Office of the Company at Udaisagar Road, Udaipur on November 01, 2014 .at 11.00 A.M

NAME AND COMPLETE ADDRESS OF THE UNSECURED CREDITORS:	:	
Signature	:	

NAME OF THE PROXY HOLDER/AUTHORISED REPRESENTATIVE:

Signature	:	
-----------	---	--

NOTE: Unsecured Creditors attending the Meeting in Person or by Proxy or through Authorised Representative are requested to complete and bring the Attendance Slip with them and hand it over at the entrance of the Meeting Hall.