

# SHAH & SHAH ASSOCIATES CHARTERED ACCOUNTANTS

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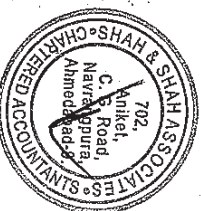
Certificate for Non-Applicability of requirement prescribed in Para (1)(A)(9)(a) of Annexure 1 of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 ('SEBI Circular') pursuant to para 1(A)(9)(c) of SEBI Circular in respect of draft Composite Scheme of Arrangement between Sintex Industries Limited and Sintex Plastics Technology Limited and Sintex-BAPL Limited and Sintex Infra Projects Limited and their respective shareholders and creditors ('the Scheme')

1 At the request of **SINTEX INDUSTRIES LIMITED** ('the Company' or 'Sintex'), we have examined the books of accounts, draft Composite Scheme of Arrangement between **SINTEX INDUSTRIES LIMITED** and **SINTEX PLASTICS TECHNOLOGY LIMITED** and **SINTEX-BAPL LIMITED** and **SINTEX INFRA PROJECTS LIMITED** and their respective shareholders and creditors under section 391 to section 394 read with section 100 to section 103 and other relevant provisions of the Companies Act, 1956 or corresponding provisions of the Companies Act, 2013, as may be applicable ('the Scheme') and other relevant records and documents maintained by the Company in the usual course of the business, for the para (1)(A)(9)(a) of Annexure 1 of SEBI Circular ('the Undertaking') in relation to the Scheme.

2 In connection with requirements as stated in para 1 above in terms of para (1)(A)(9)(c) of Annexure 1 of SEBI Circular, we have been provided relevant confirmations and undertakings by the Company. We have relied on the above Undertaking and confirmations for the purpose of issuing this certificate.

3 The attached Undertaking and compliance with the SEBI Circular is the responsibility of the Company's management. Our responsibility is to provide a certificate in terms of para (1)(A)(9)(c) of Annexure 1 of the SEBI Circular on the said undertaking to certify whether the conditions mentioned in para (1)(A)(9)(a) of Annexure 1 of SEBI Circular (in relation to voting by public shareholders) are applicable to the Company or not.

4 We conducted our examination in accordance with the 'Guidance Note on Audit Reports and Certificates for Special Purposes' and Standards on Auditing issued by the Institute of Chartered Accountants of India. Our scope of work did not involve us performing any audit test in the context of our examination. We have not performed an audit, the objective of which would be the expression of an opinion of the financial statement, specified elements, accounts, or items thereof, for the purpose of the certificate. Accordingly, we do not express such opinion. Further, our examination did not extend to any aspects of legal or proprietary in nature in the aforesaid Scheme other than matters referred to in the said certificate.



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- 5 Based on our examination of the Undertakings and confirmations given by the management and the Scheme and according to the information and explanations given to us and specific representations received by us from the management, we certify that the conditions prescribed in para (1)(A)(9)(a) of Annexure 1 of SEBI Circular (in relation to the voting by public shareholder) are not applicable to the Scheme for the reasons stated in the accompanying undertaking.

This certificate is intended solely for the purpose of submission to the Stock Exchanges in connection with the approval for the Scheme under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and should not be used for any other purpose or distributed to any other party.



**For SHAH & SHAH ASSOCIATES**  
**Chartered Accountants**  
**Firm Regn. No. 113742W**

N. (S) 97

**VASANT C. TANNA**  
**PARTNER**

**Membership Number: 100 422**

**Place : Ahmedabad**  
**Date : 29<sup>th</sup> September, 2016**

**Encl:** Undertaking as per SEBI Circular and the Scheme duly certified by management of Sintex Industries Limited as initialed by us for identification purposes

Undertaking in relation to Non-Applicability of requirements prescribed in Para (1)(A)(9)(a) of Annexure 1 of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 ('SEBI Circular') in respect of draft Composite Scheme of Arrangement between Sintex Industries Limited and Sintex Plastics Technology Limited and Sintex-BAPL Limited and Sintex Infra Projects Limited and their respective shareholders and creditors ('the Scheme')

This is in connection with the draft Composite Scheme of Arrangement between Sintex Industries Limited and Sintex Plastics Technology Limited and Sintex-BAPL Limited and Sintex Infra Projects Limited and their respective shareholders and creditors ('the Scheme') under section 391 to section 394 read with section 100 to section 103 and other relevant provisions of the Companies Act, 1956 or corresponding provisions of the Companies Act, 2013, as may be applicable ('the Scheme') and pursuant to the SEBI Circular wherein SEBI has mandated all listed companies to ensure that the Scheme submitted with an Hon'ble High Court of Gujarat for sanction, provides for voting by public shareholders through postal ballot and e-voting in certain cases, after disclosure of all material facts in the explanatory statement in terms of para (1)(A)(9)(a) of Annexure 1 of SEBI Circular.

Sintex Industries Limited hereby undertakes that the requirement of para (1)(A)(9)(a) of Annexure 1 of SEBI Circular pertaining to voting by public shareholders through postal ballot and e-voting is not applicable to the Company for the following reasons:

**1) Para (1)(A)(9)(a)(i)**

Where additional shares have been allotted to Promoter / Promoter Group, Related party of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary / (s) of Promoter / Promoter Group of the listed entity,

**Reason for non-applicability**

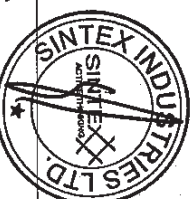
This clause is not applicable in our fact pattern as upon demerger coming into effect, the following has been envisaged:

- Issue of shares by the Sintex Plastics Technology Limited to the existing shareholders of the Sintex Industries Limited:

Sintex Plastics Technology Limited shall issue and allot equity shares at par on a proportionate basis to each member of Sintex Industries Limited whose name is recorded in the registers of members of Sintex Industries Limited as holding equity shares on the Record Date (as mentioned

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in the Scheme), 1 (one) fully paid-up equity share of INR 1/- each of Sintex Plastics Technology Limited for every 2 (two) fully paid-up equity share of INR 1/- each held by the equity shareholders in Sintex Industries Limited for transfer and vesting of Custom Moulding Undertaking to Sintex-BAPL Limited

Sintex Plastics Technology Limited shall issue and allot equity shares at par on a proportionate basis to each member of ~~Sintex Industries Limited~~ whose name is recorded in the registers of members of Sintex Industries Limited as holding equity shares on the Record Date (as mentioned in the Scheme), 1 (one) fully paid-up equity share of INR 1/- each of Sintex Plastics Technology Limited for every 2 (two) fully paid-up equity share of INR 1/- each held by the equity shareholders in Sintex Industries Limited for transfer and vesting of Prefab Undertaking to Sintex Infra Projects Limited.

If any equity shareholders of Sintex Industries Limited becomes entitled to any fractional shares pursuant to the above, the Board of Directors of Sintex Plastics Technology Limited shall consolidate such fractions to whole number, and thereupon shall issue, the equity shares of Sintex Plastics Technology Limited to the concerned equity shareholders of Sintex Industries Limited.

- Cancellation of the shares by Sintex Industries Limited in Sintex Plastics Technology Limited; i.e. simultaneous with the issuance of equity shares by Sintex Plastics Technology Limited to the shareholders of Sintex Industries Limited, the equity shares of Sintex Plastics Technology Limited held by Sintex Industries Limited and its nominees will be cancelled.

This will ensure that the shareholding pattern of Sintex Plastics Technology Limited are identical to the shareholding pattern of Sintex Industries Limited.

Accordingly it is evident from the above that all the shareholders of Sintex Industries Limited would get shares in Sintex Plastics Technology Limited in proportion to their entitlement and there would be no allotment to Promoter / Promoter Group, Related party of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary / (s) of Promoter / Promoter Group by the listed entity

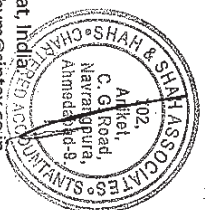
## 2) Para (1)(A)(9)(a)(iii)

Where the Scheme of Arrangement involves the listed company and any other entity involving Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/ (s) of Promoter / Promoter Group.

### Reason for non-applicability

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This clause is not applicable in our fact pattern as the Scheme envisaged between Sintex Industries Limited and its wholly owned subsidiary (i.e. Sintex Plastics Technology Limited) and thus it does not involve any arrangement between Sintex Industries Limited and any other entity / entities involving the Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/ (s) of Promoter / Promoter Group.

### 3) Para (1)(A)(9)(a)(iii)

Where the parent listed company has acquired the equity shares of the subsidiary, by paying consideration in cash or in kind in the past to any of the shareholders of the subsidiary who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary / (s) of Promoter / Promoter Group of the parent listed entity company, and if that subsidiary is being merged with the parent listed company under the Scheme of Arrangement.

### Reason for non-applicability

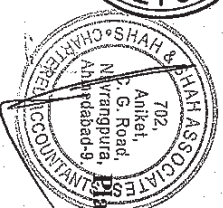
This clause is not applicable as the Sintex Industries Limited (being the parent listed Company) has not acquired any equity shares of the Sintex Plastics Technology Limited, by paying consideration in cash or in kind in the past to any of the shareholders of Sintex Plastics Technology Limited who may be Promoter / Promoter Group, Related Parties of Promoter / Promoter Group, Associates of Promoter / Promoter Group, Subsidiary/ (s) of Promoter / Promoter Group of the parent listed entity company i.e. Sintex Industries Limited. Further, the Scheme is not for the purpose of merger of the subsidiary company with the parent listed company.

In the light of above reasons, the Sintex Industries Limited is not required to seek approval of the public shareholders through postal ballot and e-voting in relation to the Scheme.

For Sintex Industries Limited

Date: 29<sup>th</sup> September 2016

Authorized Signatory



Place: Ahmedabad

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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SINTEX INDUSTRIES LIMITED ('THE COMPANY') IN THEIR MEETING HELD ON 29<sup>th</sup> SEPTEMBER 2016 AT REGISTERED OFFICE OF THE COMPANY SITUATED AT 7TH FLOOR, ABHIJEET BUILDING, MITHAHALI SIX ROADS, ELLISBRIDGE, AHMEDABAD

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Approval of draft Composite Scheme of Arrangement between Sintex Industries Limited and Sintex Plastics Technology Limited and Sintex-BAPL Limited and Sintex Infra Projects Limited and their Respective Shareholders and Creditors ('the Scheme')

**"RESOLVED THAT** pursuant to the provisions of Sections 391 to 394 and Sections 100 to 103 of the Companies Act, 1956 and Section 52 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 1956 and that of the Companies Act, 2013, and enabling provisions of the Memorandum and Articles of Association of the Company and subject to the requisite approvals from Stock Exchanges, SEBI, Shareholders, Lenders, Creditors of the Company, if required and subject to the sanction of the Hon'ble High Court of Gujarat ('the Court'), or such other competent authority as may be applicable, consent and approval of the Board of Directors be and is hereby accorded for transfer and vesting of "Custom Moulding Undertaking" and "Prefab Undertaking" (as defined in the Scheme) of the Company into Sintex-BAPL Limited and Sintex Infra Projects Limited, respectively as per the draft Composite Scheme of Arrangement between Sintex Industries Limited and Sintex Plastics Technology Limited and Sintex-BAPL Limited and Sintex Infra Projects Limited and their respective shareholders and creditors ('the Scheme') approved by the Audit Committee, placed before the Board and initialled by the Chairman of the Meeting for the purpose of identification.

**RESOLVED FURTHER THAT,** the Board of Directors hereby approves the share entitlement ratio for the Scheme based on the recommendation of the Audit Committee and based on the valuation report of an independent valuer, **B S R and Associates LLP** dated 29<sup>th</sup> September 2016 and Fairness Opinion of **Investec Capital Services (India) Private Limited**, Category I Merchant Bankers dated 29<sup>th</sup> September 2016, as under:

"1 (one) fully paid-up equity share of INR 1/- each of Sintex Plastics Technology Limited for every 2 (two) fully paid-up equity share of INR 1/- each held by the equity shareholders in Sintex Industries Limited for transfer and vesting of Custom Moulding Undertaking to Sintex-BAPL Limited"

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"1 (one) fully paid-up equity share of INR 1/- each of Sintex Plastics Technology Limited for every 2 (two) fully paid-up equity share of INR 1/- each held by the equity shareholders in Sintex Industries Limited for transfer and vesting of Prefab Undertaking to Sintex Infra Projects Limited."

"If any equity shareholders of Sintex Industries Limited becomes entitled to any fractional shares pursuant to the above, the Board of Directors of Sintex Plastics Technology Limited shall consolidate such fractions to whole number, and thereupon shall issue, the equity shares of Sintex Plastics Technology Limited to the concerned equity shareholders of Sintex Industries Limited."

**RESOLVED FURTHER THAT** a Committee of the Board of Directors known as the "Reorganization Committee" comprising of Mr. Rahul A. Patel, the Managing Director (Group), Mr. Amit D. Patel, the Managing Director (Group), Mr. S.B. Dangayach, the Managing Director, Mr. Ashwin Lalhai Shah, Director, Dr. Rajesh B. Parikh, Director of the Company, be and is hereby constituted and that the said committee be authorized to:

- i) To carry out all acts, deeds, matters and things as may be individually required in connection with and to give effect to the Scheme including finalization of the Scheme
- ii) to finalize the Scheme for submission to the Stock Exchange(s), the High Court of Gujarat, other authorities, as may be necessary and /or to accept and approve such changes and modifications/alterations in the Scheme as may be expedient or necessary for satisfying the requirement or condition imposed by the Stock exchange(s), the High Court of Gujarat; and
- iii) further to do all such acts, deeds and things as the Committee may deem it expedient and necessary, in its discretion, in this connection

**RESOLVED FURTHER THAT** the quorum for the meeting of the above Reorganization Committee of the Company shall be any two members present in person and the Reorganization Committee shall elect one of its member to be the Chairman of the meeting.

**RESOLVED FURTHER THAT** the contents of the details of assets and liabilities of the Custom Moulding Undertaking and the Prefab Undertaking that are being transferred a copy of which is tabled in the meeting, duly initiated by the Chairman, is hereby taken on record and approved.

**RESOLVED FURTHER THAT** the undertaking certified by Shah & Shah Associates, Chartered Accountants, dated 29<sup>th</sup> September 2016, clearly stating the reasons for non-applicability of Para 9(a) relating to Postal Ballot of SEBI Circular No. CIR/CFD/CMD/16/2015 dated 30 November 2015, be and is hereby noted and approved.

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**RESOLVED FURTHER THAT** Mr. Dinesh B. Patel, the Chairman, Mr. Arun P. Patel, the Vice Chairman, Mr. Rahul A. Patel, the Managing Director (Group), Mr. Amit D. Patel, the Managing Director ( Group), Mr. S.B. Dangayach, the Managing Director, Mr. Prashant D. Shah, the Head – Accounts, Audit & CFO, Mr. Hitesh T. Mehta, Company Secretary, Mr. Chetan H. Joshi, Joint CFO (Plastic) and Mr. J. K. Baid, Joint CFO (Textile) be and are hereby severally authorized on behalf of the Board, *inter alia*, to:

- (a) do all such acts as may be required to be complied with under the Companies (Court) Rules, 1959, including but not limited to finalise and sending of Notice and Explanatory Statement under Section 102 of the Companies Act, 2013, advertisement, appointment of Scrutinizer etc.;
- (b) make such alterations and changes to the aforesaid Scheme as may be expedient or necessary, particularly for satisfying the requirements or conditions imposed by Central Government and / or the Stock Exchange(s) and / or SEBI and / or the High Court and / or any such authority as may be required for approving the Scheme;
- (c) evolve, decide upon and bring into effect the Scheme and make and give effect to any modifications, changes, variations, alterations or revision in the Scheme from time to time or to suspend, withdraw or revive the Scheme from time to time as may be specified by any statutory authority or as the Board of Directors may suo moto decide in its absolute discretion and to do all such acts, deeds, matters and things whatsoever, including settling any question, doubt or difficulty that may arise with regard to or in relation to the Scheme as it may in its absolute discretion consider necessary, expedient, fit and proper;
- (d) file the said Scheme and / or any other information / details with the concerned stock exchange(s) for approval in terms of SEBI provisions;
- (e) file affidavits, petitions, pleadings, applications or any other proceedings incidental or deemed necessary or useful in connection with the above proceedings and to engage Counsels, Advocates, solicitors, Consultants, chartered Accountants and other professionals and to remunerate them and to sign and execute vakalatnama wherever necessary;
- (f) sign and file applications / petitions with the High Court or such other competent authority of relevant jurisdiction for directions for holding / dispensing with a meeting of the members and or creditors and for confirmation of the Scheme and where necessary to take steps to convene and hold such meetings as per the directions of the High Court or such other competent authority and to sign, issue and dispatch the Notice convening such meeting(s) to the shareholders and / or other concerned persons;

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- (g) obtain approval from such other authorities and parties including the shareholders, creditors, lenders as may be considered necessary, to the said Scheme;
- (h) for the above purpose file all pleadings, reports and sign and issue public advertisements and notices;
- (i) do all further acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to the Scheme and for matters connected therewith or incidental thereto and to issue a copy of this resolution duly certified as true and furnish the same to whomsoever concerned; and
- (j) settle any question or difficulty that may arise with regard to the implementation of the above Scheme and to give effect to the above resolution.

**RESOLVED FURTHER THAT** the BSE Limited, be and is hereby chosen as the Designated Stock Exchange ('DSE') for coordinating with Securities and Exchange Board of India with regard to this Scheme.

**RESOLVED FURTHER THAT** the Common Seal of the Company be affixed, if necessary, on all the necessary documents, papers etc., in connection with the matter, in presence of any one of the aforesaid Directors/Company Secretary of the Company, who shall sign the same in token thereof, as required by the Articles of Association of the Company.

**RESOLVED FURTHER THAT** any of the Directors and/or Company Secretary of the Company be and are/is hereby authorised to sign any copy of this resolution as a certified true copy thereof and furnish the same to whomsoever concerned."

**FOR SINTEX INDUSTRIES LIMITED**

**COMPANY SECRETARY**



**DATE - 29<sup>th</sup> SEPTEMBER 2016**

**PLACE - AHMEDABAD**

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