



CAMPHOR & ALLIED PRODUCTS LIMITED

CIN: L17299MH1972PLC285731

Registered Office : 133, Jehangir Building, 2nd Floor, Mahatma Gandhi Road, Fort, Mumbai – 400 001, Maharashtra.
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IN THE MATTER OF THE COMPANIES ACT, 2013;

AND

IN THE MATTER OF SECTION 230 TO 232 OF THE COMPANIES ACT, 2013;

AND

**IN THE MATTER OF SCHEME OF AMALGAMATION OF ORIENTAL AROMATICS LIMITED
HAVING CIN U24240MH1973PLC016382 ('THE TRANSFEROR COMPANY')
WITH CAMPHOR AND ALLIED PRODUCTS LIMITED HAVING CIN L17299MH1972PLC285731
('THE TRANSFEREE COMPANY' OR 'THE COMPANY')
AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

NOTICE TO SECURED CREDITORS UNDER SECTION 230 OF THE COMPANIES ACT, 2013

You are the Secured Creditor of Camphor and Allied Products Limited as on December 31, 2016.

Notice is hereby given in pursuance of sub section (3) of Section 230 of the Companies Act, 2013 (the Act) that as directed by Mumbai Bench of the National Company Law Tribunal, at Mumbai by an order dated February 16, 2017 under sub-section (1) of Section 230 of the Companies Act, 2013 a meeting of the members shall be held on Monday, April 10, 2017 at 11.00 a.m. to consider the Scheme of Amalgamation of Oriental Aromatics Limited having CIN U24240MH1973PLC016382 ('Oriental' or 'the Transferor Company') with Camphor and Allied Products Limited having CIN L17299MH1972PLC285731 ('Camphor' or 'the Transferee Company' or 'the Company') and their respective Shareholders and Creditors at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA), Oricon House, 6th Floor, 12 K, Dubhash Marg, Kala Ghoda, Fort, Mumbai-400 001

A copy of the notice and Scheme of Amalgamation are enclosed.

You are hereby informed that representations, if any, in connection with the proposed Scheme may be made to the National Company Law Tribunal, Bench, at Mumbai within Thirty (30) days from the date of receipt of this notice. The address of the Hon'ble Tribunal is 6th Floor, Fountain Telecom Building, 1 Mahatma Gandhi Road, Fort, Mumbai -400 001. Copy of the representation may simultaneously be sent to the Company.

In case no representation is received within the stated period of Thirty (30) days, it shall be presumed that you have no representation to make on the proposed Scheme.

Dated: 22nd day of February, 2017
Place: Mumbai

Enclosed (1) Copy of notice with statement as required under Section 230(3) of the Act.

(2) Copy of Scheme of Amalgamation

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
BENCH, AT MUMBAI
IN THE MATTER OF THE COMPANIES ACT, 2013**

And

**In the matter of Oriental Aromatics Limited ('the Transferor Company')
and Camphor and Allied Products Limited ('the Transferee Company')**

And

**In the matter of Section 230 read with Section 232 of the Companies Act, 2013
and other applicable provisions of the Companies Act, 2013**

Camphor and Allied Products Limited ... the Transferee Company / the Company

**EXPLANATORY STATEMENT UNDER SECTION 230(3) READ WITH SECTION 102 OF THE
COMPANIES ACT, 2013 AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS
AND AMALGAMATION) RULES, 2016, TO THE SCHEME OF AMALGAMATION OF ORIENTAL
AROMATICS LIMITED WITH CAMPHOR AND ALLIED PRODUCTS LIMITED CONVENED AS PER
THE DIRECTIONS OF THE NATIONAL COMPANY LAW TRIBUNAL.**

In this statement, Oriental Aromatics Limited is hereinafter referred to as 'the Transferor Company' and Camphor and Allied Products Limited is hereinafter referred to as 'the Transferee Company' or 'the Applicant Company' or 'the Company'. The other definitions contained in the Scheme will apply to this Explanatory Statement also. The following statement as required under Section 230(3) of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013 sets forth the details of the proposed Scheme, its effects and, in particular any material interests of the Directors in their capacity as members.

1. Pursuant to the Order dated 16th February, 2017, passed by the National Company Law Tribunal, Mumbai Bench in the Transfer Company Scheme Application No. 41 of 2017, a meeting of the Equity Shareholders of Camphor and Allied Products Limited is being convened on 10th April, 2017 at 11:00 a.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA), Oricon House, 6th Floor, 12 K, Dubhash Marg, Kala Ghoda, Fort, Mumbai - 400 001 for the purpose of considering and, if thought fit, approving with or without modification(s), the amalgamation embodied in the Scheme of Amalgamation of Oriental Aromatics Limited with Camphor and Allied Products Limited. Notice of the said meeting together with the copy of the Scheme of Amalgamation is sent herewith. This statement explaining the terms of the Scheme of Amalgamation is being furnished as required u/s 230(3) of the Companies Act, 2013.
2. The draft Scheme of Amalgamation was placed before the Audit Committee and Board of Directors of the Transferee Company at their respective meetings held on April 04, 2016. In accordance with the provisions of SEBI Circular bearing no. CIR/CFD/CMD/16/2015 dated November 30, 2015, the Audit Committee of the Transferee Company vide a resolution passed on April 04, 2016 recommended the Scheme to the Board of Directors of the Company inter-alia taking into account:
 - a) The Valuation Report issued by M/s. Jignesh Goradia & Associates, Chartered Accountants dated April 04, 2016 for issue of shares pursuant to the Scheme;
 - b) The Fairness Opinion issued by Vivro Financial Services Private Limited, an independent Merchant Banker dated April 04, 2016 on the fairness of the Valuation Report;
 - c) Statutory Auditors certificate dated April 04, 2016 issued by M/s. Lodha & Co., Statutory Auditors of the Company, in relation to the accounting treatment prescribed in the Scheme.

Copy of the Valuation Report and Fairness Opinion is enclosed to this Notice.

3. Based upon the recommendations of the Audit Committee and on the basis of the evaluations, the Board of Directors of the Transferee Company has come to the conclusion that the Scheme is in the best interest of the Company and its shareholders.
4. **Background of Camphor and Allied Products Limited:**

- 4.1. Camphor and Allied Products Limited (Company Registration No.: 285731 and CIN: L17299MH1972PLC285731 and having PAN AAACC9211E), the Applicant / Transferee Company was incorporated on April 7, 1972 as a Limited Company in the State of Punjab under the provisions of the Companies Act, 1956 under the name and style of "Terpene Industries Limited" and then a fresh certificate of incorporation consequent upon Change of Name was issued on 2nd January, 1987 and the name was changed to "Profeel Sentinel Limited". Profeel Sentinel Limited became a sick company in the mean while and Camphor and Allied Products Limited was merged into Profeel Sentinel Limited through scheme of amalgamation approved vide Bombay High Court order dated October 12, 1989 and Ahmedabad High Court order dated November 23, 1989 with retrospective effect from July 1, 1988 and the name of the amalgamated company was changed to "Camphor and Allied Products Limited". A fresh certificate of incorporation consequent upon change of name was issued on 3rd January, 1990 by Registrar of Companies, Gujarat. The Applicant Company has also obtained final order from Regional Director, Western Region approving the shifting of registered office from the state of Gujarat to the state of Maharashtra and a fresh certificate of incorporation issued by the Registrar of Companies, Mumbai dated 9th September, 2016 consequent to shift in registered office of the Applicant Company from the state of Gujarat to the state of Maharashtra has been obtained.
- 4.2. The registered office of the Transferee Company is situated at 133, Jehangir Building, 2nd Floor, Mahatma Gandhi Road, Fort Mumbai 400001, Maharashtra, India. The e-mail id for the Transferee Company is grievance@camphor-allied.com.
- 4.3. As per the latest Audited Balance Sheet as on 31st March, 2016 and provisional Balance Sheet as on 31st December, 2016 the share capital of the Applicant Company is as under:

Authorised Share Capital:	(Amount in Rs.)
1,00,00,000 Equity Shares of Rs.10/- each	Rs.10,00,00,000/-
Total	Rs.10,00,00,000/-
Issued, subscribed and paid up share capital:	(Amount in Rs.)
51,33,674 Equity Shares of Rs.10/- each fully paid	Rs.5,13,36,740/-
Total	Rs.5,13,36,740/-

Subsequent to the above date there is no change in the issued, subscribed and paid up share capital of the Transferee Company.

- 4.4. The Equity Shares of the Transferee Company are listed on the BSE Limited.
- 4.5. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main objects of the Transferee Company are set out hereunder:
1. To carry on at such places in India or elsewhere as may be determined by the Directors of the Company the business of manufacturing, producing, preparing, processing and exporting, importing, purchasing and selling natural and synthetic products of all kinds and, in particular, Camphor, Rosin, Turpentine, Pinenes, Oleoresins, Pitch Borneol, Isoborneol, Menthol, thymol, Turpeneols, Insobornly Acetate and other perfumery Compounds, Dipentene, Sodium acetate, Perfumes, Pine Oil, Pine Tar, Synthetic Resins, and Modified products of turpentine and rosin, Perfumery compounds, Carene Alcohol and Esters, Active Carbon, Turpeniol, Gardinol, Meracene, A-floral, B-Carenol, Turpene Resins, Insecticides, Delta-3-carene, Logifolene, plastic gums, intermediates, plasticiers and raw materials for paints, varnish and lacquers and also in other articles and appliances made with or from Natural or Synthetic Camphor, Turpentine (Oleo Resin Gumes), its compounds, substances derivatives and substitutes or products in which the above mentioned products or any of them are used.
 2. To carry on business as manufacturers of and dealers in all kinds of raw materials in general and in particular raw materials connected with or relating to the Pine Oil, Pine Tar and Synthetic Resins.

There has been no change in the objects of the Transferee Company during the last five years.

4.6. Details of Promoters and Directors of the Company is follow:

Sr. No.	Name of the Promoter / Director	Address
A.	Promoters	
1.	Oriental Aromatics Limited	Jehangir building, 133, Mahatma Gandhi Road, Fort, Mumbai Maharashtra - 400001
B.	Directors	
1.	Ms. Chandrika A. Bodani	51 Elcid 5th Floor, Ridge Road Malabar Hills, Mumbai - 400006, Maharashtra, India
2.	Mr. Dharmil A. Bodani	51 Elcid 5th Floor, Ridge Road Malabar Hills, Mumbai - 400006, Maharashtra, India
3.	Mr. Shyamal A. Bodani	51 Elcid 5th Floor, Ridge Road Malabar Hills, Mumbai - 400006, Maharashtra, India
4.	Mr. Devendra Singh Raghava	30, Narayan Garden, New Vuda Rd, Gotri, Baroda, 390023, Gujarat, India
5.	Mr. Prakash V. Mehta	123A, Maker Tower, Cuffe Parade, Colaba, Mumbai - 400005, Maharashtra, India
6.	Mr. Harshvardhan A. Piramal	61 Piramal House, Pochkhanwala Road, Worli, Mumbai, 400025, Maharashtra, India
7.	Mr. Ranjit A. Puranik	403/B, Simla House, CHS Ltd., 51B, Laxmibai Jagmohan Das Marg, Nepean Sea Road, Mumbai - 400036, Maharashtra, India
8.	Ms. Amruda V. Nair	Leela Baug, Andheri-Kurla Road, Sahar, Mumbai - 400059, Maharashtra, India.

5. Oriental Aromatics Limited:

5.1. Oriental Aromatics Limited (Company Registration No.: 016382 and CIN: U24240MH1973PLC016382 and having PAN AAACO4618F) was incorporated on 14th March, 1973 as a Private Limited Company under the Companies Act, 1956 under the name and style of "Oriental Aromatics Private Limited" as per the certificate of incorporation issued by the Registrar of Companies, Maharashtra, Bombay and then an amended certificate of incorporation by way of deletion of word "Private" under Section 43-A(1A) of the Companies Act, 1956 was issued on 1st July, 1995 and the name was changed to Oriental Aromatics Limited.

5.2. The registered office of the Transferor Company is at Jehangir Building, 133, Mahatma Gandhi Road, Fort, Mumbai, Maharashtra, 400001. The e-mail id for the Transferor Company is girish@orientalaromatics.com.

5.3. The Share Capital of the Transferor Company as on December 31, 2016 was as under:

Authorised Share Capital:	(Amount in Rs.)
40,00,000 Equity Shares of Rs.10/- each	Rs.4,00,00,000/-
Total	Rs.4,00,00,000/-

Issued, Subscribed and Paid-up Share Capital:	(Amount in Rs.)
40,00,000 Equity Shares of Rs.10/- each fully paid up	Rs.4,00,00,000/-
Total	Rs.4,00,00,000/-

Subsequent to the above date there is no change in the issued, subscribed and paid up share capital of the Transferor Company.

5.4. The shares of the Transferor Company are not listed on any stock exchange.

5.5. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Transferor Company are set out hereunder:

1. To carry on business of manufacturers of and dealers in alcoholic perfumes, handkerchief perfumes eau-de-colognes, aromatic chemicals, resinoids, isolates, extracts flavour concrete, absolutes, synthetic perfumes, fragrances, cultivating and distilling natural essential oils, food and flavouring essences.
2. To carry on the business of manufacturers of and dealers in cosmetics, lotions, depilatories, creams, powders, unmanufactured tobacco, chewing tobacco, snuffs and like goods.
3. To carry on the business of manufacturers of soap, soap-powders, detergents, and toilet requisites, and to buy, sell, manufacture, refine, prepare and deal in oils and oleaginous and saponaceous substances.

There has been no change in the objects of the Transferor Company during the last five years.

5.6. Details of Promoters and Directors of the Transferor Company is follow:

Sr. No.	Name of the Promoter / Director	Address
A.	Promoters	
1.	Ms. Chandrika A. Bodani	51 Elcid 5th Floor, Ridge Road Malabar Hills, Mumbai - 400006, Maharashtra, India
2.	Mr. Dharmil A. Bodani	51 Elcid 5th Floor, Ridge Road Malabar Hills, Mumbai - 400006, Maharashtra, India
3.	Mr. Shyamal A. Bodani	51 Elcid 5th Floor, Ridge Road Malabar Hills, Mumbai - 400006, Maharashtra, India
B.	Directors	
1.	Ms. Chandrika A. Bodani	51 Elcid, 5th Floor, Ridge Road, Malabar Hills, Mumbai - 400006, Maharashtra, India
2.	Mr. Dharmil A. Bodani	51 Elcid, 5th Floor, Ridge Road, Malabar Hills, Mumbai - 400006, Maharashtra, India
3.	Mr. Shyamal A. Bodani	51 Elcid, 5th Floor, Ridge Road, Malabar Hills, Mumbai - 400006, Maharashtra, India
4.	Mr. Ashwin Ahya	Flat no. 503, Kamlesh Bhavan CHS Station, Avenue Road, Chembur, Mumbai - 400071
5.	Mr. Harshvardhan A. Pirmal	61 Pirmal House, Pochkhanwala Road, Worli, Mumbai - 400025, Maharashtra, India
6.	Mr. Ranjit A. Puranik	403/B, Simla House, CHS Ltd., 51B, Laxmibai Jagmohan Das Marg, Nepean Sea Road, Mumbai - 400036, Maharashtra, India
7.	Ms. Amruda V. Nair	Leela Baug, Andheri-Kurla Road, Sahar, Mumbai - 400059, Maharashtra, India.

6. RATIONALE OF THE SCHEME

- 6.1. The Transferor Company is engaged in the business of manufacturing of flavours and fragrances in India and abroad more than four decades and has tremendous experience and expertise in the business. Its custom designed fragrances are found in fine fragrances, soaps, incense sticks, candles, household cleaners and mosquitoes gels. The Transferor Company is the promoter and major shareholder, holding 57.66% of the issued, subscribed and paid up equity share capital of the Transferee Company. The Transferee Company is engaged in manufacturing of variety of terpene chemicals and other speciality aroma chemicals and its vast product range includes Synthetic Camphor, Terpeneols, Pine Oils, Resins, Astromusk, and several other chemicals finding applications in vast array of industries ranging from Flavours & Fragrances, Pharmaceuticals, Soaps & Cosmetics, Rubber & Tyre, Paints & Varnishes and many more. All the chemicals produced by the Transferee Company are raw materials for manufacturing of the finished products of the Transferor Company. Pursuant to various negotiations and discussions between the Transferor Company and the Transferee Company, it was felt that amalgamation of the Transferor Company with the Transferee Company will provide significant synergistic benefits, economies of scale, consolidation of finances and operational efficiencies as well as forward integration of the business of the Transferee Company.

- 6.2. The Transferor Company intend to reorganize and integrate their operations with the activities of the Transferee Company as a part of restructuring process which will result in back ward integration for the business of the Transferor Company and hence it is proposed to merge Transferor Company into Transferee Company by way of amalgamation under this Scheme (as defined herein).
- 6.3. The Amalgamated Company (defined below) will have greater efficiency in overall business including economies of scale, cash flow management of the amalgamated entity and unfettered access to cash flow generated by the combined business which can be deployed more efficiently for the purpose of development of businesses of the companies and their growth opportunities, eliminate inter corporate dependencies, minimize the administrative compliances, etc. to maximize shareholder value.
- 6.4. Amalgamation will result in cost saving for the Transferor Company and the Transferee Company as they are engaged in the related and interdependent activity which is expected to result in higher net worth and cost savings for the Amalgamated Company.
- 6.5. The Amalgamated Company will have the benefit of the combined resources of the Transferor Company and the Transferee Company i.e., market share, scale, efficiency, combined net-worth, combined employees base, reserves, investments, and other assets, manpower, consolidated pool of finances, including optimization of borrowing costs and administrative compliances related thereto, larger size, consolidation of operations, mitigating competition, future opportunities, etc. The Amalgamated Company would be in a position to carry on consolidated operations through optimum utilization of its resources and avoidance of duplication.
- 6.6. The Amalgamated Company would also have a larger net-worth base, and greater borrowing capacity, which would provide it a competitive edge over others, especially in view of the increasing competition due to liberalization and globalization, which will be beneficial in more than one ways to the Transferor Company and the Transferee Company and their shareholders and creditors, as the Transferor Company and the Transferee Company plan to meet the competition in more effective way by combining their asset base and operations.
- 6.7. The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the amalgamation would benefit the shareholders, employees and other stakeholders of the Transferor Company and the Transferee Company.
- 6.8. The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the amalgamation would motivate employees by providing better opportunities to scale up their performance with a corporate entity having large revenue base, resources, asset base etc which will provide impetus to corporate performance thereby enhancing overall shareholder value.

7. Salient features of the Scheme of Amalgamation are as under:

- 7.1. Salient features of the Scheme are set out as below:
 - (i) The Scheme of Amalgamation provides for amalgamation of Oriental Aromatics Limited (Company Registration No.: 016382 and having CIN: U24240MH1973PLC016382) defined as “the Transferor Company” with Camphor and Allied Products Limited (Company Registration No.: 011626 and having CIN: L17299GJ1972PLC011626) defined as “the Transferee Company” pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and such other applicable provisions of the Companies Act, 2013 as may be notified from time to time.
 - (ii) “Appointed Date” means 1st April, 2016 or such other date as may be fixed or approved by the regulatory authority or other Government Authority, if applicable.
 - (iii) “Effective Date” means the last of the dates on which the sanctions/approvals or orders as specified in Clause No. 21 of this Scheme have been obtained and/or filed.
 - (iv) Upon the Scheme becoming finally effective, in consideration of the transfer of and vesting of the undertaking of the Transferor Company, in the Transferee Company in terms of the Scheme, the Transferee Company shall, subject to the provisions of the Scheme and without any further application, act, or deed, issue and allot 1.56 (One point Five Six) Equity Shares of Rs. 10/- (Rupees

Ten only), credited as fully paid up in the Capital of the Transferee Company, to the members of the Transferor Company, whose names appear in the Register of members of Transferor Company on the Record Date to be fixed by the Board of Directors of the Transferee Company for every 1 (One) Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each fully paid-up or credited as paid-up and held by the said members or their heirs, executors, administrators or their legal representatives as the case may be, in the Transferor Company.

- (v) The Transferee Company will recognize that the amalgamation is to be considered as an “amalgamation in nature of merger” as defined by paragraph 33 of the Accounting Standard – 14 (AS-14) on “Accounting for Amalgamations” issued under the Companies (Accounting Standards) Rules, 2006 as amended from time to time, the accounting treatment in respect of assets, liabilities and reserves of the Transferor Company shall be governed, subject to the provisions of this paragraph, in accordance with what is described in AS-14 as “the Pooling of interests Method”.
- (vi) An amount equal to the balance lying to the credit / debit of Profit and Loss Account in the books of the Transferor Company shall be credited / debited by the Transferee Company to its Profit and Loss Account and shall constitute (or reduce, as the case may be) the Transferee Company’s free reserves as effectively as if the same were created by the Transferee Company and credited by the Transferee Company out of its own earned and distributable profits.
- (vii) The face value of equity shares issued by the Transferee Company to the shareholders of the Transferor Company will be recorded as equity share capital of the Transferee Company. The excess of the amount recorded as share capital issued by the Transferee Company over the amount of share capital of the Transferor Company will be reduced from the surplus in statement of profit and loss of the Transferee Company. In case of excess of the amount of share capital of the Transferor Company over the amount recorded as share capital issued by the Transferee Company will be credited to reserves.
- (viii) The amount appearing as investment in equity shares of the Transferee Company as forming part of the Assets transferred to the Transferee Company shall be cancelled and an amount equal to paid-up value of those equity shares shall also be cancelled in the books of Transferee Company. The difference if any remaining after such cancellation shall be reduced from the surplus in statement of profit and loss of the Transferee Company upon the Scheme becoming effective.
- (ix) Upon coming into effect of this Scheme all suits, claims, actions and proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and/or arising by or against the Transferee Company.
- (x) The Transferee Company will undertake to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.
- (xi) Upon the Scheme becoming effective, without any further act or deed, the Transferee Company shall be re-named as “Oriental Aromatics Limited” or such other name as may be sanctioned by the Registrar of Companies. The Transferee Company shall also comply with the requirements of change in name in the share certificates of the Transferee Company.
- (xii) **Scheme Conditional Upon Approvals/Sanctions**

This Scheme is specifically conditional upon and subject to:

- (a) The approval of, and agreement to the Scheme by the requisite majorities of such Classes of persons of the Transferor Company and the Transferee Company as may be directed by the High Court or other concerned Governmental Authorities in India on the applications made for directions under Section 391 of the said Act for calling meetings and necessary resolutions being passed under the Act for the purpose.
- (b) The sanctions of the High Court being obtained under Sections 391 to 394 and other applicable provisions of the Act or any other Governmental Authority for the Transferee Company, if so required on behalf of the Transferor Company and Transferee Company.

- (c) The compliance with the SEBI guidelines including particularly, the circular CIR/CFD/CMD/16/2015 dated 30th November, 2015 and subsequent amendments thereof. The Scheme being approved by the shareholders of the Transferee Company by way of postal ballot / e-voting in terms of para 9 of the said SEBI circular dated 30th November, 2015, provides that the same shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.
- (d) Filing certified copies of the court orders referred to in this Scheme being filed with the Registrar of Companies.
- (e) The decision of the board of directors of the Companies with respect to approval and/or filing whether required or not with the Governmental Authority shall be final and binding.
- (f) All costs, charges and expenses, including any taxes and duties of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company in pursuance of this Scheme shall be borne by the Transferee Company only.

The features set out above being only the salient features of the Scheme of Amalgamation, the members are requested to read the entire text of the Scheme of Amalgamation (annexed herewith) to get fully acquainted with the provisions thereof and the rationale and objectives of the proposed Scheme of Amalgamation.

8. Approvals:

- 8.1. Pursuant to the SEBI Circular read with Regulation 37 of the SEBI Listing Regulations, the Transferee Company had filed necessary applications before BSE seeking their no-objection to the Scheme. The Transferee Company has received the observation letter from BSE dated July 19, 2016, conveying their no-objection to the Scheme ("Observation Letter"). Copy of the aforesaid Observation Letter is enclosed herewith.
- 8.2. BSE vide its Observation Letter dated July 19, 2016, have advised that SEBI has given following comments on the draft Scheme of Amalgamation:
 - Company to ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchanges, is displayed from the date of receipt of this letter on the website of the listed entity.
 - Company shall duly comply with the provisions of the Circulars.
- 8.3. As required by the SEBI Circular, the Applicant Company has filed the Complaints Report with BSE on May 30, 2016. A copy of the aforementioned Complaints Report is enclosed herewith.

9. Extent of Shareholding of Directors and Key Managerial Personnel (KMP)

- 9.1. The directors / KMP of the Transferee Company and the Transferor Company may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the respective Companies, or to the extent the said directors are common directors in the Companies, or to the extent the said directors / KMP 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. It is further clarified that their interest in these companies shall not be treated in any way differently than the other shareholders of the companies.

- 9.2. The respective shareholding (singly or jointly) of Directors and KMP in the Transferor Company and the Transferee Company as on December 31, 2016 is as under: -

Directors and KMP Shareholding of Transferee Company:

Name of Directors / KMP	IN CAMPHOR AND ALLIED PRODUCTS LIMITED (Transferee Company)	IN ORIENTAL AROMATICS LIMITED (Transferor Company)
Ms. Chandrika A. Bodani	NIL	24,00,000
Mr. Dharmil A. Bodani	NIL	7,99,700
Mr. Dharmil A. Bodani Jt. with Chandrika A. Bodani	NIL	100
Mr. Shyamal A. Bodani Jt. with Chandrika A. Bodani	Nil	100
Mr. Shyamal A. Bodani	NIL	7,99,900
Veer D Bodani Jt. with Dharmil A. Bodani	NIL	100
Yuvraj D Bodani Jt. with Dharmil A. Bodani	NIL	100
Mr. Devendra Singh Raghava	NIL	NIL
Mr. Prakash V. Mehta	NIL	NIL
Mr. Harshvardhan A. Piramal	NIL	NIL
Mr. Ranjit A. Puranik	NIL	NIL
Ms. Amruda V. Nair	NIL	NIL
Mr. Girish Khandelwal- CFO	NIL	NIL
Ms. Kiranpreet Gill- CS	NIL	NIL

Directors and KMP Shareholding of Transferor Company:

Name of Directors / KMP	IN CAMPHOR AND ALLIED PRODUCTS LIMITED (Transferee Company)	IN ORIENTAL AROMATICS LIMITED (Transferor Company)
Ms. Chandrika A. Bodani	NIL	24,00,000
Mr. Dharmil A. Bodani	NIL	7,99,700
Mr. Dharmil A. Bodani Jt. with Chandrika A. Bodani	NIL	100
Mr. Shyamal A. Bodani Jt. with Chandrika A. Bodani	Nil	100
Mr. Shyamal A. Bodani	NIL	7,99,900
Veer D Bodani Jt. with Dharmil A. Bodani	NIL	100
Yuvraj D Bodani Jt. with Dharmil A. Bodani	NIL	100
Mr. Ashwin Ahya	NIL	NIL
Mr. Harshvardhan A Piramal	NIL	NIL
Mr. Ranjit A. Puranik	NIL	NIL
Ms. Amruda V. Nair	NIL	NIL

10. Capital Structure Pre and Post Amalgamation

- 10.1. Pre-amalgamation capital structure of the Transferor Company is as:

Authorised Share Capital:	(Amount in Rs.)
40,00,000 Equity Shares of Rs.10/- each	Rs.4,00,00,000/-
Total	Rs.4,00,00,000/-

Issued, subscribed and paid up share capital:	(Amount in Rs.)
40,00,000 Equity Shares of Rs.10/- each	Rs.4,00,00,000/-
Total	Rs.4,00,00,000/-

10.2. Pre and post amalgamation capital structure of the Transferee Company is as:

Particulars	Pre Amalgamation (as on December 31, 2016)		Post Amalgamation	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
Authorised Share Capital				
Equity Shares of Rs. 10/- each	1,00,00,000	1000	1,40,00,000	1400
Issued, Subscribed & Paid-up Share Capital				
Equity Shares of Rs. 10/- each	51,33,674	513.37	84,13,394*	841.34

* Post- merger issued, subscribed and paid-up share capital is considered after cancellation of shares pursuant to the Scheme of Amalgamation.

11. Pre and post amalgamation shareholding pattern

11.1. The pre amalgamation shareholding pattern for the Transferor Company as on December 31, 2016 is as follows.

Sr. No.	Name of the shareholder	No. of Shares	% shareholding
1.	Ms. Chandrika A. Bodani	24,00,000	60.0000
2.	Mr. Dharmil A. Bodani	799,700	19.9925
3.	Mr. Shyamal A. Bodani	799900	19.997
4.	Yuvraj D. Bodani Jt. with Dharmil A. Bodani	100	0.0025
5.	Veer D. Bodani Jt. with Dharmil A. Bodani	100	0.0025
6.	Dharmil A. Bodani Jt. with Chandrika A. Bodani	100	0.0025
7.	Shyamal A. Bodani Jt. with Chandrika A. Bodani	100	0.0025
	Total	40,00,000	100

Since the Transferor Company will be merged into the Transferee Company on Scheme being effective, the Transferor Company will stand dissolved and thus there will be no post amalgamation shareholding pattern available.

11.2. The pre and post amalgamation shareholding pattern for the Transferee Company as on December 31, 2016 is as follows.

Sr. No.	Category of shareholder	Pre Amalgamation Shareholding		Post Amalgamation shareholding	
		Total Number of Shares	Percentage of total number of shares	Total Number of Shares	Percentage of total number of shares
(A)	Promoter and Promoter Group				
1	Indian				
(a)	Individuals/Hindu Undivided Family	0	0	6240000	74.167
(b)	Central Government/State Government(s)	0	0	0	0
(c)	Bodies Corporate	2960280	57.664	0	0
(d)	Financial Institutions / Banks	0	0	0	0
(e)	Any Other (specify)	0	0	0	0
	Sub Total (A)(1)	2960280	57.664	6240000	74.167

Sr. No.	Particulars	Pre Amalgamation Shareholding		Post Amalgamation shareholding	
		Total Number of Shares	Percentage of total number of shares	Total Number of Shares	Percentage of total number of shares
2	Foreign				
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0
(b)	Bodies Corporate	0	0	0	0
(c)	Institutions	0	0	0	0
(d)	Qualified Foreign Investors	0	0	0	0
(e)	Any Other (specify)	0	0	0	0
	Sub Total (A)(2)	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)=(A) (1) +(A)(2)	2960280	57.664	6240000	74.167
(B)	Public shareholding				
1	Institutions				
(a)	Mutual Funds/UTI	2150	0.042	2150	0.026
(b)	Financial Institutions / Banks	1074	0.021	1074	0.013
(c)	Central Government/State Government(s)	5	0	5	0
(d)	Venture Capital Funds	0	0	0	0
(e)	Insurance Companies	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0
(g)	Foreign Bank	80	0.002	80	0
(h)	Qualified Foreign Investors	0	0	0	0
(I)	Any Other (specify)	0	0	0	0
	Sub Total (B) (1)	3309	0.065	3309	0.040
2	Non-institutions				
(a)	Bodies Corporate	90408	1.761	90408	1.075
(b)	Individuals - shareholders holding nominal share capital up to Rs 2 Lakh	1827971	35.607	1827971	21.727
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	72594	1.414	72594	0.863
(c)	Qualified Foreign Investors	0	0	0	0
(d)	Any Other				
i	Non Resident Indians (Repat)	24767	0.482	24767	0.294
ii	Non Resident Indians (Non Repat)	35321	0.688	35321	0.420
iii	Clearing Member	11042	0.215	11042	0.131
iv	HUF	68253	1.330	68253	0.811
v	Trusts	39729	0.774	39729	0.472
vi	Foreign Strategic Investors	0	0	0	0
vii	Foreign Portfolio Investor (Corporate)	0	0	0	0
viii	Foreign National	0	0	0	0
	Sub Total (B)(2)	2170085	42.271	2170085	25.793
	Total Public Shareholding Public Group (B)=(B) (1) +(B)(2)	2173394	42.336	2173394	25.833
	Total (A)+(B)	5133674	100	8413394	100

Sr. No.	Particulars	Pre Amalgamation Shareholding		Post Amalgamation shareholding	
		Total Number of Shares	Percentage of total number of shares	Total Number of Shares	Percentage of total number of shares
(C)	Shares held by custodians and against which Depository Receipts have been issued				
i	Promoter and Promoter group	0	0	0	0
ii	Public	0	0	0	0
	Sub Total (C)	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	5133674	100	8413394	100

12. Approval of Scheme by Board of Directors

- 12.1. Vide resolutions passed at the respective Board Meetings dated April 04, 2016, the Board of Directors of both the companies resolved that subject to such approvals of the Equity Shareholders and Creditors, if so required, of the Transferee Company and approval of the Equity Shareholders and Creditors of the Transferor Company the Scheme of Amalgamation be made between the two companies. Details of directors who were present and voted in favour / against / did not participate for the said resolution is as follow:

Camphor and Allied Products Limited:

Sr. No.	Name of the Director	Voting Status
1	Ms. Chandrika A. Bodani	Did Not vote being interested
2	Mr. Dharmil A. Bodani	Did Not vote being interested
3	Mr. Shyamal A. Bodani	Did Not vote being interested
4	Mr. Devendra Singh Raghava	Voted in favour
5	Mr. Harshvardhan A. Piramal	Voted in favour
6	Mr. Ranjit A. Puranik	Voted in favour

Oriental Aromatics Limited:

Sr. No.	Name of the Director	Voting Status
1	Ms. Chandrika A. Bodani	Voted in favour
2	Mr. Dharmil A. Bodani	Voted in favour
3	Mr. Shyamal A. Bodani	Voted in favour
4	Mr. Ashwin Ahya	Voted in favour

The Applicant Company hereby states that the company has filed copy of Scheme with Registrar on 10th February 2017.

13. Summary of Valuation Report

- 13.1. The Valuation Report of M/s. Jignesh Goradia & Associates, Chartered Accountants recommending the share swap ratio is obtained.
- 13.2. For the purpose of valuation of the Applicant Company only Market Price method by considering higher of the market price a) for the twenty-six (26) weeks period and b) two (2) weeks period is used. The price comes to Rs. 466.20/- per share.

13.3. For the purpose of valuation of the Transferor Company following combination of methods are used:

Method	Weights	Value per share
NAV (at Market Value)	0.10	56.93
Earnings Capitalization Method	0.10	31.60
Discounted Cash Flow	0.80	639.37

Thus, the weightage average price per share of Transferor Company comes to Rs. 727.89/- per share.

13.4. A report adopted by the directors of the Transferor Company and the Transferee Company explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters, non-promoter shareholders, laying out in particular the share exchange ratio, is attached herewith.

Miscellaneous:

14. The Applicant Company and the Transferor Company had made separate applications under Sections 391 to 394 and other applicable provisions of the Act to the High Court of Bombay at Maharashtra for sanctioning of this Scheme and for dissolution of Transferor Company without winding up under the Provisions of Act and obtain all approvals as may be required under law. Subsequent to the said filing, provisions of Section 230 to Section 232 of the Companies Act, 2013 inter-alia governing merger and amalgamation of companies have become operative with effect from 15th December, 2016 and thus our pending matter before the High Court of Bombay has been transferred to National Company Law Tribunal, Mumbai Bench for the sanction of the Scheme under Section 230 read with Section 232 of the Companies Act, 2013.
15. In relation to the meeting of the Transferee Company, equity shareholders of the Transferee Company whose names are appearing in the records of the Company as on February 24th, 2017 shall be eligible to attend and vote at the meeting of the equity shareholders of the Transferee Company convened at the direction of the Tribunal or cast their votes using remote e-voting facility.
16. The amount due from the Transferor Company to its unsecured creditors as on December 31, 2016 is ₹ 2225.01 Lakhs
17. The amount due from the Transferee Company to its unsecured creditors (including creditors for capital expenditure) as on December 31, 2016 is ₹ 2359.75 Lakhs.
18. The financial position of the Transferee Company will not be adversely affected by the Scheme of Amalgamation. It will continue to remain strong and it will be able to meet and pay its debts as and when they arise. The rights and interests of the members and the creditors of the Transferee Company will not be prejudicially affected by the Scheme.
19. The latest audited accounts for the year ended March 31, 2016 and latest unaudited accounts for the quarter ended December 31, 2016 of the Transferee Company indicates that it is in a solvent position and would be able to meet liabilities as they arise in the course of business. There is no likelihood that any secured or unsecured creditor of the concerned companies would lose or be prejudiced as a result of this Scheme being passed since no sacrifice or waiver is at all called for from them nor are their rights sought to be modified in any manner. Hence, the amalgamation will not cast any additional burden on the shareholders or creditors of either company, nor will it affect the interest of any of the shareholders or creditors.
20. Except to the extent of the shares held by the Directors and KMP as stated under paragraph 9 above, none of the directors, KMP of the Transferee Company or their respective relatives is in any way connected or interested in the aforesaid resolution.
21. As on date, the Transferor Company holds appx. 57.66% of the Issued, Subscribed and Paid up Equity Share Capital totaling in all 29,60,280 shares of the Issued, Subscribed and Paid up Equity Share Capital of the Transferee Company. Thus, the Transferor Company is the Promoter and holding company of the Transferee Company.
22. There are no winding up proceedings pending against the Transferee Company and or Transferor Company as of date.
23. No investigation proceedings have been instituted or are pending in relation to the Applicant Company and the Transferor Company under the provisions of Chapter XIV of the Companies Act, 2013 or under the provisions of the Companies Act, 1956.
24. The Transferor Company and the Transferee Company are required to seek approvals/ sanctions/ no objections from certain regulatory and governmental authorities for the Scheme such as the registrar of companies, regional director, official liquidator and will obtain the same at the relevant time.

25. **Disclosures about effect of the Scheme on following:**

25.1. In case of Applicant Company / Transferee Company:

Sr. No.	Category	Disclosure
1.	Key Managerial Personnel	There will be no effect on any of the KMPs of the Transferee Company.
2.	Directors	Neither the Directors of the Transferor Company nor of the Applicant Company have any material interest in arrangement (except as Shareholders/Director).
3.	Promoters	The Transferor Company is the Promoter of the Applicant Company and is getting merged with the Applicant Company.
4.	Non-promoters members	There will be dilution in the shareholding of the Public Shareholders in the Company on amalgamation of the Transferor Company with the Company in percentage terms from 42.34% to 25.83%, however, the value of their holding is likely to have positive impact and that the proposed amalgamation will be beneficial to the public shareholders of the Company also due to various factors like higher net-worth base, synergistic and economic benefits, consolidation of finances along with operational expertise, effectiveness and backward integration of the business of the Transferee Company and cost saving which in turn will lead to further prosperity of the Transferee Company and its shareholders on account of the amalgamation.
5.	Creditors	As there is no compromise and/or arrangement with the creditors as no sacrifice is called for. As far as the rights of the Creditors of the Transferor Company are concerned, they will not be affected adversely with the proposed Scheme of Amalgamation as, post arrangement, the assets of the Applicant Company will be far in excess of the liabilities and sufficient to discharge the liabilities.

25.2. The Transferee Company does not have any depositors, debenture holders, deposit trustee and debenture trustee. The Scheme will not have any impact on the employees of the Transferee Company as they would continue to be in employment of the Transferee Company without any change in their terms of employment on account of the Scheme. Further, no change in the Board of Directors of the Transferee Company is envisaged on account of the Scheme.

25.3. In case of Transferor Company:

Sr. No.	Category	Disclosure
1.	Key Managerial Personnel	The KMPs of the Transferor Company are also the KMPs of the Transferee Company and thus there will be no impact.
2.	Directors	Neither the Directors of the Transferor Company nor of the Applicant Company have any material interest in arrangement (except as Shareholders/Director).
3.	Promoters	The Promoters of the Transferor Company are also the shareholders of the Transferee Company and pursuant to the Scheme, all shareholders of the Transferor Company will get shares of the Transferee Company based on the share exchange ratio as mentioned in the Scheme.
4.	Creditors	As there is no compromise and/or arrangement with the creditors as no sacrifice is called for. As far as the rights of the Creditors of the Transferor Company are concerned, they will not be affected adversely with the proposed Scheme of Amalgamation as, post arrangement, the assets of the Applicant Company will be far in excess of the liabilities and sufficient to discharge the liabilities.

25.4. There is no effect of amalgamation on material interest of directors, KMP and debenture trustee in case of both the companies except as Shareholders/Director.

25.5. The Transferor Company does not have any depositors, debenture holders, deposit trustee and debenture trustee. The Scheme will not have any impact on the employees of the Transferor Company as they would

continue to be in employment of the Transferee Company without any change in their terms of employment on account of the Scheme.

26. This statement may be treated as an Explanatory Statement under Section 230(3) read with Section 102 of the Companies Act, 2013.
27. The following documents will be open for inspection by the Shareholders as per Rule 6(3)(ix) of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 at the Registered Office of Applicant Company situated at 133, Jehangir Building, 2nd Floor Mahatma Gandhi Road, Fort Mumbai, Maharashtra 400 001 on all working days except Saturdays and Sundays between 11:00 a.m. and 1:00 p.m. up to the date of the ensuing Meeting.
- (i) Copy of the Order passed by the Tribunal dated 16th February, 2017 directing convening the meeting of Equity Shareholders passed in Transfer Company Scheme Application No. 41 of 2017.
 - (ii) Copies of the Memorandum of Association and Articles of Association of the Camphor and Allied Products Limited and Oriental Aromatics Limited;
 - (iii) Copy of Audited Annual Accounts and provisional accounts of the Camphor and Allied Products Limited for the year and period ended on March 31, 2016 and December 31, 2016 respectively;
 - (iv) Copy of Audited financial statements including consolidated financial statements and provisional Accounts of the Oriental Aromatics Limited for the year and period ended on March 31, 2016 and December 31, 2016 respectively;
 - (v) Scheme of Amalgamation of Oriental Aromatics Limited with Camphor and Allied Products Limited.
 - (vi) Contracts or agreements material to the amalgamation, if any.
 - (vii) The certificate issued by the statutory auditor of the Applicant Company to the effect that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under section 133 of the Act.
 - (viii) Valuation Report for the proposed Scheme of Amalgamation of Oriental Aromatics Limited with Camphor and Allied Products Limited dated April 04, 2016.
 - (ix) Fairness Opinion for the proposed Scheme of Amalgamation of Oriental Aromatics Limited with Camphor and Allied Products Limited dated April 04, 2016.
 - (x) Pre and Post Merger Capital Structure and Shareholding Pattern of the Transferee Company
 - (xi) No objection letter/ observation letter dated July 19, 2016 to the Scheme received from the BSE Limited.
 - (xii) Other documents displayed by the Stock Exchange and Transferee Company's website, in terms of the SEBI Circular.
 - (xiii) Complaints Report dated May 30, 2016 submitted by the Company to the Stock Exchanges.
 - (xiv) Copies of the resolutions passed by the respective Board of Directors of the Camphor and Allied Products Limited and Oriental Aromatics Limited approving the Scheme of Amalgamation.
 - (xv) Report adopted by the directors of the Transferee Company and the Transferor Company explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders, laying out in particular the share exchange ratio.
 - (xvi) Such other information or documents as the Board or management believes necessary and relevant for making decision for or against the Scheme.

A copy of the Scheme, Explanatory Statement and Form of Proxy and Attendance Slip may also be obtained from the Registered Office of the Company and / or at the office of the advocates M/s Sanjay Udeshi & Co. at 402-B, Vikas Building, 4th Floor, (Top Floor), NGN Vaidya Road (Bank Street), Above Jimmy Boy Restaurant, Horniman Circle, Fort, Mumbai - 400 001.

Dated this 22nd day of February, 2017
Mumbai

Sd/-
Mr. Dharmil A. Bodani
Chairman appointed for the meeting
DIN: 00618333

Registered Office:
133, Jehangir Building, 2nd Floor,
Mahatma Gandhi Road, Fort,
Mumbai 400 001, Maharashtra.

Encl: As above

SCHEME OF AMALGAMATION
OF
ORIENTAL AROMATICS LIMITED-
TRANSFEROR COMPANY;
WITH
CAMPHOR AND ALLIED PRODUCTS LIMITED-
TRANSFEE COMPANY
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

1. PREAMBLE

- (a) This Scheme of Amalgamation provides for amalgamation of Oriental Aromatics Limited (Company Registration No.: 016382 and having CIN: U24240MH1973PLC016382) defined as “the Transferor Company” with Camphor and Allied Products Limited (Company Registration No.: 011626 and having CIN: L17299GJ1972PLC011626) defined as “the Transferee Company” pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and such other applicable provisions of the Companies Act, 2013 as may be notified from time to time.
- (b) The Transferor Company was incorporated on 14th March, 1973 as a Private Limited Company under the Companies Act, 1956 under the name and style of “Oriental Aromatics Private Limited” as per the certificate of incorporation issued by the Registrar of Companies, Maharashtra, Bombay and then an amended certificate of incorporation by way of deletion of word “Private” under Section 43-A(1A) of the Companies Act, 1956 was issued on 1st July, 1995 and the name was changed to Oriental Aromatics Limited. The Transferor Company is engaged in manufacturing of flavours and fragrances in India and abroad. The registered office of the Transferor Company is situated at Jehangir Building, 133, Mahatma Gandhi Road, Fort, Mumbai, Maharashtra, 400001. The shares of the Transferor Company are not listed on any stock exchanges.
- (c) The Transferee Company was incorporated on 7th April, 1972 as a Public Limited Company under the Companies Act, 1956 under the name and style of “Terpene Industries Limited” as per the certificate of incorporation issued by the Registrar of Companies, Punjab & H. P., Chandigarh and then a fresh certificate of incorporation consequent upon Change of Name was issued on 2nd January, 1987 and the name was changed to “Profeel Sentinel Limited”. Profeel Sentinel Limited became a sick company in the mean while and Camphor and Allied Products Limited was merged into Profeel Sentinel Limited through scheme of amalgamation approved vide Bombay High Court order dated October 12, 1989 and Ahmedabad High Court order dated November 23, 1989 with retrospective effect from July 1, 1988 and the name of the amalgamated company was changed to “Camphor and Allied Products Limited”. A fresh certificate of incorporation consequent upon change of name was issued on 3rd January, 1990 by Gujarat Registrar of Companies. The Transferee Company is engaged in manufacturing of variety of terpene chemicals and other speciality aroma chemicals. The shares of the Transferee Company are currently listed on the BSE Limited. The registered office of the Transferee Company is presently situated at Plot No. 3, GIDC Industrial Estate, Nandesari, Vadodara, Gujarat, 391340. The board of directors of the Transferee Company has approved the proposal for shifting of registered office of the Transferee Company from Gujarat to Maharashtra. The Transferee Company is in the process of obtaining approval of the shareholders and applicable authorities for the same.

2. RATIONALE OF THE SCHEME

- (a) The Transferor Company is engaged in the business of manufacturing of flavours and fragrances in India and abroad more than four decades and has tremendous experience and expertise in the business. Its custom designed fragrances are found in fine fragrances, soaps, incense sticks, candles, household cleaners and mosquitoes gels. The Transferor Company is the promoter and major shareholder, holding 57.66% of the issued, subscribed and paid up equity share capital of the Transferee Company. The Transferee Company is engaged in manufacturing of variety of terpene chemicals and other speciality aroma chemicals and its vast product range includes Synthetic Camphor, Terpeneols, Pine Oils, Resins, Astromusk, and several other

chemicals finding applications in vast array of industries ranging from Flavours & Fragrances, Pharmaceuticals, Soaps & Cosmetics, Rubber & Tyre, Paints & Varnishes and many more. All the chemicals produced by the Transferee Company are raw materials for manufacturing of the finished products of the Transferor Company. Pursuant to various negotiations and discussions between the Transferor Company and the Transferee Company, it was felt that amalgamation of the Transferor Company with the Transferee Company will provide significant synergistic benefits, economies of scale, consolidation of finances and operational efficiencies as well as forward integration of the business of the Transferee Company.

- (b) The Transferor Company intend to reorganize and integrate their operations with the activities of the Transferee Company as a part of restructuring process which will result in back ward integration for the business of the Transferor Company and hence it is proposed to merge Transferor Company into Transferee Company by way of amalgamation under this Scheme (as defined herein).
- (c) The Amalgamated Company (defined below) will have greater efficiency in overall business including economies of scale, cash flow management of the amalgamated entity and unfettered access to cash flow generated by the combined business which can be deployed more efficiently for the purpose of development of businesses of the companies and their growth opportunities, eliminate inter corporate dependencies, minimize the administrative compliances, etc. to maximize shareholder value.
- (d) Amalgamation will result in cost saving for the Transferor Company and the Transferee Company as they are engaged in the related and interdependent activity which is expected to result in higher net worth and cost savings for the Amalgamated Company.
- (e) The Amalgamated Company will have the benefit of the combined resources of the Transferor Company and the Transferee Company i.e., market share, scale, efficiency, combined net-worth, combined employees base, reserves, investments, and other assets, manpower, consolidated pool of finances, including optimization of borrowing costs and administrative compliances related thereto, larger size, consolidation of operations, mitigating competition, future opportunities, etc. The Amalgamated Company would be in a position to carry on consolidated operations through optimum utilization of its resources and avoidance of duplication.
- (f) The Amalgamated Company would also have a larger net-worth base, and greater borrowing capacity, which would provide it a competitive edge over others, especially in view of the increasing competition due to liberalization and globalization, which will be beneficial in more than one ways to the Transferor Company and the Transferee Company and their shareholders and creditors, as the Transferor Company and the Transferee Company plan to meet the competition in more effective way by combining their asset base and operations.
- (g) The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the amalgamation would benefit the shareholders, employees and other stakeholders of the Transferor Company and the Transferee Company.
- (h) The Board of Directors of the Transferor Company and the Transferee Company are of the opinion that the amalgamation would motivate employees by providing better opportunities to scale up their performance with a corporate entity having large revenue base, resources, asset base etc. which will provide impetus to corporate performance thereby enhancing overall shareholder value.

With the aforesaid objectives, it is proposed to amalgamate the Transferor Company with the Transferee Company.

3. PURPOSE OF THE SCHEME

- (a) It is therefore proposed that the Transferor Company be merged on a going concern basis, pursuant to a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956 and such other applicable provisions of the Companies Act, 2013 as may be notified from time to time, and be merged with Transferee Company for achieving joint focus and benefits in the areas as brought out in Clause 2 above.
- (b) With the aforesaid objective and to give effect to the terms of this Scheme of Amalgamation, the Transferor Company and the Transferee Company will combine the activities and operations into a single company i.e. Transferee Company for synergistic linkages besides the benefit of financial and other resources of each other as stated in Clause 2 above.

- (c) This Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme is/are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the Income Tax Act, 1961 at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of Section 2(1B) of the Income Tax Act, 1961.

4. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings: -

- (a) **“Act”** means Companies Act, 1956 including any statutory modifications, re-enactments or amendments thereof and shall include the relevant and corresponding applicable sections under Companies Act, 2013, as and when the same are made applicable before the effective date of the Scheme.
- (b) **“Amalgamated Company”** means the consolidated Transferee Company after the amalgamation of the Transferor Company in to the Transferee Company post the Scheme (as defined herein) becoming effective.
- (c) **“Appointed Date”** means 1st April, 2016 or such other date as may be fixed or approved by the regulatory authority or other Government Authority, if applicable.
- (d) **“Court”** or **“High Court”** means the High Court of Judicature at Bombay and / or Gujarat and shall include the National Company Law Tribunal (NCLT), if applicable.
- (e) **“Effective Date”** means the last of the dates on which the sanctions/approvals or orders as specified in Clause No. 21 of this Scheme have been obtained and/or filed.
- (f) **“Governmental Authority”** means any concerned Central, State or local Government, statutory, regulatory, departmental or public body or authority of relevant jurisdiction, legislative body or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Regional Directors, Foreign Investment Promotion Board , Reserve Bank of India, Competition Commission of India or arbitration or arbitral body having jurisdiction, Courts and other government and regulatory authorities of India.
- (g) **“Record Date”** is any date after the Effective Date to be fixed by the Board of Directors of the Transferee Company for issuing the shares of Transferee Company to the shareholders of the Transferor Company.
- (h) **“Scheme”** or **“Scheme of Amalgamation”** means this Scheme of Amalgamation in its present form or with any modifications, approved or imposed or directed by the Hon’ble High Court or the National Company Law Tribunal and with all the Schedules appended thereto.
- (i) **“The Transferor Company”** means Oriental Aromatics Limited a Public Limited Company incorporated under the Companies Act, 1956 and having its Registered Office at Jehangir Building, 133, Mahatma Gandhi Road, Fort, Mumbai, Maharashtra, 400001.
- (j) **“The Transferee Company”** means Camphor & Allied Products Limited, a Public Limited Company incorporated under the Companies Act, 1956 and having its Registered Office at Plot No. 3, GIDC Industrial Estate, Nandesari, Vadodara, Gujarat, 391340 or such other place as approved by the board of directors as mentioned in Clause 1(c) above subject to approval of the shareholders and applicable authorities for the same.
- (k) **“The Undertaking”** shall mean and include:
- I) All the assets of the Transferor Company including all tangible and intangible assets whether held in India or abroad and all rights associated there with as on the Appointed Date (hereinafter referred to as ‘the said Assets’).
- II) All secured and unsecured Debts (whether in Rupees or in foreign currency), all liabilities, duties and obligations of the Transferor Company along with any charge, encumbrance, lien or security thereon as on the Appointed Date (hereinafter referred to as ‘the said Liabilities’)

- III) Without prejudice to the generality of Sub-clause (I) and (II) above the undertaking of the Transferor Company shall include all preliminary and pre-operative expenses, assets- including but not limited to the manufacturing facilities, land (whether leasehold or freehold), plant and machineries, investments including shares and securities (whether held in India or abroad and whether held as holding company or otherwise), stocks, debtors, claims, rights under power of attorney granted in favour of the company or its authorized personnel and directors, powers, authorities, allotments, approvals, consents, contracts, enactments, arrangements, rights, entitlements, titles, interests, benefits, advantages, lease-hold rights, tenancy rights and other intangible rights, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, permits, quotas, entitlements, registrations, formulations, licenses (industrial, commercial, for operations at exchanges or otherwise), municipal permissions, systems of any kind whatsoever, rights and benefits of all agreements and other interests including rights and benefits under various schemes of different laws, legislations, rules and regulations including taxation laws as may belong to or be available to the Transferor Company, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of whatsoever nature and wheresoever situated, belonging to or in ownership of the Transferor Company, including but without being limited to trade and services marks, patents, copyrights, brand names, logos and any other intellectual property rights of any nature whatsoever, authorizations, permits, rights to use and avail of telephones, telexes, facsimile, email, internet, lease line connections and installations, utilities, electricity and other services, all records, files, papers, computer programs, software, know-how, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former suppliers, supplier pricing information and other records in connection with or in relation to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession, or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad including employees which are working with the Transferor Company as on the Appointed /Effective Date.

5. SHARE CAPITAL

- (a) The Share Capital of Oriental Aromatics Limited - the Transferor Company as per the Audited Balance Sheet as on 31st March, 2015 and Unaudited Balance Sheet as on 31st December, 2015 is as under:

Authorised Share Capital:		(Amount in Rs.)
40,00,000 Equity Shares of Rs.10/- each		Rs.4,00,00,000/-
Total		Rs.4,00,00,000/-

Issued, subscribed and paid up share capital:		(Amount in Rs.)
40,00,000 Equity Shares of Rs.10/- each		Rs.4,00,00,000/-
Total		Rs.4,00,00,000/-

There is no change in the Share Capital of the Transferor Company as on the date of filing of this Scheme.

- (b) The Share Capital of Camphor and Allied Products Limited - the Transferee Company as per the Audited Balance Sheet as on 31st March, 2015 and Unaudited Balance Sheet as on 31st December, 2015 is as under:

Authorised Share Capital:		(Amount in Rs.)
1,00,00,000 Equity Shares of Rs. 10/- each		Rs.10,00,00,000/-
Total		Rs.10,00,00,000/-

Issued, subscribed and paid up share capital:		(Amount in Rs.)
51,33,674 Equity Shares of Rs. 10/- each		Rs. 5,13,36,740/-
Total		Rs. 5,13,36,740/-

Presently the Transferor Company holds appx. 57.66% of the Issued, Subscribed and Paid up Equity Share Capital totaling in all 29,60,280 shares of the Issued, Subscribed and Paid up Equity Share Capital of the Transferee Company.

There is no change in the Share Capital of the Transferee Company as on the date of filing of this Scheme

The authorised share capital of the Transferor Company will be transferred to the Transferee Company as stated under Clause 17 of the Scheme. If required, thereafter, upon the Scheme of Amalgamation becoming finally effective, the Transferee Company will suitably enhance / modify / reorganize its authorised capital at an appropriate time to inter alia enable it to issue shares in terms of this Scheme.

Post amalgamation in terms of this Scheme, the issued and paid up share capital of the Transferee Company will be aggregate of the existing Equity shares (net of cancellation of equity shares of the Transferee Company held by the Transferor Company) and shares to be issued to the Equity Shareholders of the Transferor Company under this Scheme.

6. TRANSFER OF UNDERTAKING

- (a) With effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Section 394 and other applicable provisions of the Companies Act, 1956 and the relevant applicable provisions of the Companies Act, 2013 and in relation to the mode of transfer and vesting, the Undertaking shall, without any further act, instrument or deed, be and the same shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, rights, titles and interests and authorities including accretions, entitlements and appurtenances thereto such as dividends, or any other benefits receivable of the Transferee Company.
- (b) With effect from the Appointed Date, and subject to the provisions of this Scheme, all the liabilities of the Undertaking shall stand transferred or deemed to have been transferred without any further act, instrument or deed of the Transferee Company, pursuant to the provisions of Section 394 and other applicable provisions of the Companies Act, 1956 and the relevant applicable provisions of the Companies Act, 2013, so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.
- (c) With effect from the Appointed Date, and subject to the provisions of this Scheme all the employees of the Undertaking shall stand transferred or deemed to have been transferred with all their accrued liabilities and with benefit of continuity of service period, without any further act, instrument or deed of the Transferee Company, pursuant to the provisions of Section 394 of the Act, so as to become as and from the Appointed Date, the employees of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person, in order to give effect to the provisions of this Clause.
- (d) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme, the Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- (e) 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, leases, tenancy, assignments, allotments, powers of attorney given by, issued to or executed in favour of the Transferor Company, claims, powers, authorities, allotments, approvals, consents, contracts, enactments, arrangements, rights, entitlements, titles, interests, benefits, advantages, lease-hold rights and tenancies, and other intangible rights, hire purchase contracts and assets, lending contracts, employment contracts, benefit of any security arrangements, reversions, permits, entitlements, registrations, licences (industrial or otherwise), registrations under sales tax / VAT, municipal permissions, contracts and arrangements with the Central and State Governmental bodies including the local authorities, municipalities, etc. issued to or executed in favour of the Transferor Company in relation to the Undertaking shall stand transferred to the Transferee Company in which the Undertaking shall vest by way of the Amalgamation hereunder, as if the same were originally given by, issued to or executed in favour of Transferee Company, and Transferee 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 and stand vested with the Transferee Company. The Transferee Company shall make applications to and obtain relevant approvals from the concerned Government Authorities as may be necessary in this behalf and the same shall be granted to the Transferee Company by virtue of the Scheme.

- (f) It is clarified that if any assets (estate, claims, rights, entitlements, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Undertaking, which the Transferor Company own or to which the Transferor Company is a party and which cannot be transferred to the Transferee Company for any reason, the Amalgamated Company shall hold such asset in trust for the benefit of the Transferee Company to which the Transferor Company is being transferred in terms of this Scheme, in so far as it is permissible so to do, till such time as the transfer is affected.
- (g) Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by Transferor 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 Transferee Company.
- (h) All loans raised and used and all liabilities and obligations incurred by the Transferor Company for the operations of the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the Undertaking shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the debts, liabilities, duties and obligations of the Transferee Company which shall meet discharge and satisfy the same.
- (i) Without prejudice to Clause (a) above, it is expressly provided that in respect of such assets belonging to the Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Section 394 and other applicable provisions of the said Act.
- (j) The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or depositor as the case may be that pursuant to the concerned Governmental Authority sanctioning the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto and that the right of the Transferor Company to recover or realize the same stands extinguished.
- (k) The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court having sanctioned the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realize the same is in substitution of the right of the Transferor Company.
- (l) With effect from the Appointed Date, the existing securities created, if any, over the assets – movable and immovable of the Transferor Company in favour of any lenders, banks, financial institutions, housing or mortgage finance companies, Non-Banking Financial Companies (NBFCs), etc. shall continue over such assets – movable and immovable when transferred to the Transferee Company upon amalgamation and the assets so secured shall be clearly identifiable and/or distinguishable. However, if subsequent to the Scheme being placed before the authorities for approval, if no liabilities towards any lenders, banks, financial institutions, housing or mortgage finance companies, Non-Banking Financial Companies (NBFCs), etc. continues, the securities over such assets – movable or immovable will be transferable freely to the Transferee Company, pursuant to this Scheme being sanctioned.
- (m) With effect from the Appointed Date till the Effective Date, the securities created, if any, over its assets – movable or immovable of by the Transferor Company in favour of any lenders, banks, financial institutions, housing or mortgage finance companies, Non-Banking Financial Companies (NBFCs), etc. shall continue as first and exclusive charge of any such lenders, banks, financial institutions, housing or mortgage finance companies, Non-Banking Financial Companies (NBFCs), etc. having securities over such assets – movable or immovable transferred to the Transferee Company upon amalgamation and the assets so secured shall be clearly identifiable and/or distinguishable.
- (n) With effect from the Appointed Date, the existing securities created over its assets - movable and immovable, by the Transferee Company in favour of any bank, financial institutions, Housing or mortgage finance companies, NBFCs, etc. shall continue as such security of any such bank, financial institutions, housing or mortgage finance companies, NBFCs, etc. over the respective assets – movable or immovable of Transferee Company upon amalgamation and the assets so secured shall be clearly identifiable and/or distinguishable.

However, if subsequent to the Scheme being placed before the authorities for approval, if no liabilities towards any bank or financial institutions continues, the securities over such assets of the Transferee Company, if any created will be released and such assets of the Transferee Company would be free from any charges, if any.

- (o) With effect from the Appointed Date till the Effective Date, the securities created over its assets – movable or immovable by the Transferee Company in favour of any bank, financial institutions, Housing or mortgage finance companies, NBFCs, etc. shall continue as first and exclusive charge of any bank, financial institutions, Housing or mortgage finance companies, NBFCs, etc. over the respective assets – movable or immovable of Transferee Company upon amalgamation and the assets so secured shall be clearly identifiable and/or distinguishable.
- (p) Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge, with the relevant regulatory authority and Governmental Authorities to give formal effect to the above provisions, if required.
- (q) It is expressly provided that no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- (r) Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of the Clause 6 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and / or superseded by the foregoing provisions.
- (s) The transfer and/or vesting as aforesaid shall be subject to the existing charges, hypothecation and mortgages, if any, continuing over or in respect of all the aforesaid assets or any part thereof of the Transferor Company.

Provided however, that any reference of any security documents or arrangements, to which the Transferor Company is a party, over the assets of the Transferor Company which it has offered or agreed to be offered as security for any Financial assistance or obligations, to the secured creditors of the Transferor Company, shall be construed as reference only to the assets pertaining to the assets of the Transferor Company as vested in the Transferee Company by virtue of the aforesaid clause, to the end and intent that such security, mortgage or charge shall not extend or be deemed to extend, to any of the assets or to any of the other units or divisions of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company.

Provided always that the Scheme shall not operate to enlarge the security of any loan, deposit or facility created by or available to the Transferor Company which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further or additional security therefore after the Scheme has become effective or otherwise.

7. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- (a) Subject to all the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefits of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which the Transferor Company will, if necessary, also be a party in order to give formal effect to this Clause if so required or become necessary.
- (b) The resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

8. LEGAL PROCEEDINGS

- (a) Upon coming into effect of this Scheme all suits, claims, actions and proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and/or arising by or against the Transferee Company.
- (b) The Transferee Company will undertake to have all legal or other proceedings initiated by or against the Transferor Company referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

9. OPERATIVE DATE OF THE SCHEME

This Scheme though effective from the Appointed Date shall be operative from the Effective Date.

10. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY TILL EFFECTIVE DATE

With effect from the Appointed Date, and up to the Effective Date:

- (a) The Transferor Company shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall be deemed to have held and stand possessed of the Undertaking on account of, and for the benefit of and in trust for the Transferee Company.
- (b) All the profits or incomes accruing or arising to the Transferor Company or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) of the Transferor Company shall, for all purposes be treated and be deemed to be and accrued as the profits or incomes or expenditure or losses or taxes of the Transferee Company, as the case may be.
- (c) The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not, alienate, charge, mortgage, encumber or otherwise deal with the said assets or any part thereof except in the ordinary course of business or if the same is expressly permitted by this Scheme or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date, except with prior written consent of the Transferee Company.

Provided that as far as the obligations referred as above are concerned, the restrictions thereunder shall be applicable from the date of the acceptance of the present Scheme by the respective Board of Directors of the Transferor Company and Transferee Company even if the same are prior to the Appointed Date.

- (d) The Transferor Company may not vary the terms and conditions and employment of permanent employees except in ordinary course of business.
- (e) The Transferor Company shall not, without prior written consent of the Transferee Company, undertake any new business.
- (f) The Transferor Company shall not, without prior written consent of the Transferee Company, take any major policy decisions in respect of management of the Company and for business of the Company and shall not change its present Capital Structure.
- (g) The Transferor Company shall not make any change in its capital structure after the Scheme is approved by the Board of Directors of the Transferor Company and Transferee Company, either by any increase, (by issue of equity or preference shares on a right basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organization, or in any other manner which may, in any way, affect the Share Exchange Ratio (as defined in Clause 11 below), except by mutual consent of the Board of Directors of the Transferor Company and the Transferee Company or except as has been expressly disclosed under this Scheme.
- (h) The Transferor Company and the Transferee Company shall co-operate with each other for smooth transfer of the Undertaking from the Transferor Company to the Transferee Company and any of the director of the Transferor Company and any director of the Transferee Company shall be empowered to give effect to the Scheme in all aspects as may be necessary or expedient including settling any question or difficulties arising in relation to the Scheme in such manner as they deem fit to attain the objectives of this Scheme and their decision in this regard shall be final and binding.

- (i) It is hereby agreed and clarified that whenever under this Scheme, the approval of the Transferor Company is required to be obtained, it shall be the approval of any one of the Directors of the Transferor Company and whenever under this Scheme, the approval of the Transferee Company is required to be obtained, it shall be the approval of any one of the Directors of the Transferee Company.

11. CONSIDERATION BY THE TRANSFEE COMPANY

- (a) Upon the Scheme becoming finally effective, in consideration of the transfer of and vesting of the undertaking of the Transferor Company, in the Transferee Company in terms of the Scheme, the Transferee Company shall, subject to the provisions of the Scheme and without any further application, act, or deed, issue and allot 1.56 (One point Five Six) Equity Shares of Rs. 10/- (Rupees Ten only), credited as fully paid up in the Capital of the Transferee Company, to the members of the Transferor Company, whose names appear in the Register of members of Transferor Company on the Record Date to be fixed by the Board of Directors of the Transferee Company for every 1 (One) Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each fully paid-up or credited as paid-up and held by the said members or their heirs, executors, administrators or their legal representatives as the case may be, in the Transferor Company.
- (b) In the event that the Transferee Company restructures its equity share capital by way of share split/consolidation/issue of bonus or right shares/ further issue of shares during the pendency of the Scheme, the Share Exchange Ratio as defined in Clause 11 (a) above, shall be adjusted accordingly to take into account the effect of such corporate actions.
- (c) The said new Equity Shares shall rank for voting rights and all other respects pari-passu with the existing Equity Shares of the Transferee Company, save and except that the owners of such Equity Shares shall be entitled to dividend declared and paid by the Transferee Company only after the Record Date for the purpose of allotment of the Transferee Company's shares to the members of the Transferor Company pursuant to the approval of the Scheme.
- (d) In so far as the equity shares of the Transferor Company held by the Transferee Company if any, on the Effective Date are concerned, such shares would be cancelled and to that extent the Transferee Company is required to issue less number of shares.
- (e) In so far as the equity shares of the Transferee Company held, if any, by the Transferor Company are concerned, such shares would be cancelled, on the Effective Date and the capital of the Transferee Company shall be reduced to that extent.
- (f) The Equity Shares to be issued by the Transferee Company pursuant to this Scheme in respect of Equity Shares of Transferor Company which are not fully paid up shall also be kept in abeyance and dealt with by the Transferee Company when they become fully paid-up, based on information periodically provided by the Transferor Company to the Transferee Company.
- (g) Unless otherwise determined by the Board of Directors or any committee thereof of the Transferee Company, issuance of Equity shares in terms of Clause 11 herein shall be done within 90 days from the date of sanction of this scheme by the Hon'ble Court or such other extended period as may be determined by the Board of Directors or any Committee of the Transferee Company.
- (h) The issue and allotment of Equity Shares by the Transferee Company as provided in the Scheme shall be deemed to have been carried out by following the procedure laid down under sections 62(1)(c), 61(1)(a) and 61 of the Companies Act, 2013 and any other relevant and applicable provisions of the Act.

12. FRACTIONS

No fractional entitlements shall be issued in favour of any member of the Transferor Company holding Shares of the Transferor Company, in respect of the fractional entitlements if any, to which he/she/it may be entitled on issue or allotment of the shares of the Transferee Company as aforesaid. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlements and allot shares in lieu thereof to a director or an authorised officer of the Transferee Company with express understanding that such director or the officer shall sell the same at the best available price in one or more lots by private sale / placement or by auction as deemed fit (the decision of such director or the officer as the case may be as to the timing and method of the sale and the price at which such sale has been given effect to shall be final) and pay the sales proceeds to the Transferee Company. The net sale proceeds thereupon shall be distributed among the members of the Transferor Company in the proportion of their fractional entitlements in the Transferee Company.

13. ACCOUNTING TREATMENTS OF ASSETS, LIABILITIES AND RESERVES OF THE TRANSFEROR COMPANY

- (a) Recognizing that the amalgamation is to be considered as an “amalgamation in nature of merger” as defined by paragraph 33 of the Accounting Standard – 14 (AS-14) on “Accounting for Amalgamations” issued under the Companies (Accounting Standards) Rules, 2006 as amended from time to time, the accounting treatment in respect of assets, liabilities and reserves of the Transferor Company shall be governed, subject to the provisions of this paragraph, in accordance with what is described in AS-14 as “the Pooling of interests Method”.
- (b) As on the Appointed Date, and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferor Company be required, the reserves of the Transferor Company will be merged with the reserves of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company.
- (c) If, at the time of the amalgamation, the Transferor Company and the Transferee Company have conflicting accounting policies, a uniform set of accounting policies shall be adopted following the amalgamation. The effects on the financial statements of any changes in accounting policies shall be reported in accordance with Accounting Standard 5 “Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies”.
- (d) An amount equal to the balance lying to the credit / debit of Profit and Loss Account in the books of the Transferor Company shall be credited / debited by the Transferee Company to its Profit and Loss Account and shall constitute (or reduce, as the case may be) the Transferee Company’s free reserves as effectively as if the same were created by the Transferee Company and credited by the Transferee Company out of its own earned and distributable profits.
- (e) The face value of equity shares issued by the Transferee Company to the shareholders of the Transferor Company will be recorded as equity share capital of the Transferee Company. The excess of the amount recorded as share capital issued by the Transferee Company over the amount of share capital of the Transferor Company will be reduced from the surplus in statement of profit and loss of the Transferee Company. In case of excess of the amount of share capital of the Transferor Company over the amount recorded as share capital issued by the Transferee Company will be credited to reserves.
- (f) The amount appearing as investment in equity shares of the Transferee Company as forming part of the Assets transferred to the Transferee Company shall be cancelled as mentioned un clause 11(e) above and an amount equal to paid-up value of those equity shares shall also be cancelled in the books of Transferee Company. The difference if any remaining after such cancellation shall be reduced from the surplus in statement of profit and loss of the Transferee Company upon the Scheme becoming effective.

14. DIVIDEND, PROFIT, BONUS, RIGHT SHARES

At any time upto the Effective Date:

- (a) The Transferor Company and the Transferee Company shall not declare/or pay dividends, which are interim or final to the respective members relating to any period commencing on or after the Appointed Date unless agreed to by the Board of Directors of the Transferor Company and the Transferee Company.
- (b) The Transferor Company, except mentioned otherwise in the Scheme, shall not issue or allot any right shares, or Bonus Shares or any other security converting into Equity or other Share Capital or obtain any other financial assistance converting into Equity or other Share Capital, unless agreed to by the Board of Directors of the Transferor Company and the Transferee Company.
- © The resolutions of the Transferor Company, which are valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then said limits shall be valid and shall continue for the Transferee Company.
- (d) The borrowing limits of the Transferee Company in terms of Section 180(1)(c) of the Companies Act, 2013, shall, without any further act, instrument or deed, stand enhanced by an amount equivalent to the aggregate value of the paid-up share capital and free reserves of the Transferee Company (apart from temporary loans obtained from the bankers in the ordinary course of business) over and above the existing borrowing limits of the Transferee Company.

15. TRANSFEROR COMPANY'S EMPLOYEES

Upon the Scheme coming into effect, all permanent Employees of the Transferor Company, shall become employees of the Transferee Company on such date as if they were in continuous service without any break or interruption in service and on the terms and conditions as to remuneration not less favorable than those subsisting with reference to the Transferor Company as on the said date.

It is provided that so far as the Provident Fund, Gratuity Fund, or any other Special Scheme(s)/Fund(s), if any, created or existing for the benefit of the employees of the Transferor Company are concerned, upon the coming into effect of this Scheme, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contributions to the said Schemes/Funds in accordance with provisions of such Schemes/Funds as per the terms provided in the respective Trust Deeds, to the end and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Schemes/Funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid Schemes/Funds.

16. DISSOLUTION OF THE COMPANY

The Transferor Company shall be dissolved without winding up on an order made by the High Court of Bombay under Section 394 of the Companies Act, 1956 and such other applicable provisions of the Companies Act, 2013.

17. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY

A. Increase of Authorised Share Capital

- (a) As an integral part of Scheme, and, upon coming into effect of the Scheme, the Authorised Share Capital of the Transferor Company, as on the Effective Date, shall be added to the Authorised Share Capital of the Transferee Company, as on the Effective Date, without any further act or deed and without any further payment of the stamp duty or the registration fees and Clause V of the Memorandum of Association of the Transferee Company and Article 4 of the Articles of Association of the Transferee Company shall be altered accordingly.
- (b) Clause V of the Memorandum of Association and of the Transferee Company (relating to Authorised Share Capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 16, 31, 94 and 394 and other applicable provisions of the Companies Act, 1956 and corresponding sections 13, 14, 61 and 232 of the Companies Act 2013 -as may be applicable and as the case may be.

B. Change of Name

Upon the Scheme becoming effective, without any further act or deed, the Transferee Company shall be re-named as "**Oriental Aromatics Limited**" or such other name as may be sanctioned by the Registrar of Companies. The Transferee Company shall also comply with the requirements of change in name in the share certificates of the Transferee Company.

- C. Pursuant to this Scheme, the Transferee Company shall file the requisite forms with the Registrar of Companies for alteration of its authorized capital as well as for change of name.
- D. Under the accepted principle of Single Window Clearance, it is hereby clarified that for the purpose of Clause A and Clause B of para 17 above, the consent of shareholders to the Scheme shall be deemed to be granted and is sufficient for the purpose of effecting the above amendments or increase in authorised capital and change of name of the Transferee Company. Section 20, 21, 31 and 94 of the Companies Act, 1956 and corresponding sections 13, 14 and 61 of the Companies Act 2013 or any other provisions of the Act to the extent the same may be considered applicable, and no further resolution under Section 16, Section 21, Section 31, Section 394 and corresponding sections 13, 14 and 232 of the Companies Act 2013 or any other applicable provisions of the Act, would be required to be separately passed. It is clarified that there will be no need to pass separate shareholders' resolution as required under the Act.

18. APPLICATION TO THE HIGH COURT AND GOVERNMENTAL AUTHORITY

The Transferor Company shall make all applications/petitions under Sections 391 to 394 and other applicable provisions of the Act to the High Court of Bombay at Maharashtra for sanctioning of this Scheme and for dissolution of Transferor Company without winding up under the Provisions of Act and obtain all approvals as may be required under law.

The Transferee Company shall also with reasonable dispatch make all applications/petitions under Sections 391 to 394 and other applicable provisions of the Act to the Jurisdictional High Court and the Governmental Authority, as applicable, for sanctioning of this Scheme under the Provisions of Act and obtain all approvals as may be required under law.

19. MODIFICATIONS, AMENDMENTS TO THE SCHEME

The Transferor Company (by its Directors) and Transferee Company (by its Directors) may assent from time to time on behalf of all persons concerned to any modifications or amendments or addition to this Scheme or to any conditions or limitations which the respective Hon'ble High Court, or such other Courts and Governmental Authority or any authorities under the Law may deem fit to approve of or impose and/or to resolve any doubt or difficulties that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things as may be necessary, desirable or proper for carrying the Scheme into effect, subject to approval of High Court.

For the purpose of giving effect of this Scheme or to any modifications or amendments, thereof, the Directors of the Transferor Company and Transferee Company may give and are authorised to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

20. SCHEME CONDITIONAL UPON APPROVALS/SANCTIONS

This Scheme is specifically conditional upon and subject to:

- (a) The approval of, and agreement to the Scheme by the requisite majorities of such Classes of persons of the Transferor Company and the Transferee Company as may be directed by the High Court or other concerned Governmental Authorities in India on the applications made for directions under Section 391 of the said Act for calling meetings and necessary resolutions being passed under the Act for the purpose.
- (b) The sanctions of the High Court being obtained under Sections 391 to 394 and other applicable provisions of the Act or any other Governmental Authority for the Transferee Company, if so required on behalf of the Transferor Company and Transferee Company.
- (c) The compliance with the SEBI guidelines including particularly, the circular CIR/CFD/CMD/16/2015 dated 30th November, 2015 and subsequent amendments thereof. The Scheme being approved by the shareholders of the Transferee Company by way of postal ballot / e-voting in terms of para 9 of the said SEBI circular dated 30th November, 2015, provides that the same shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.
- (d) Filing certified copies of the court orders referred to in this Scheme being filed with the Registrar of Companies.
- (e) The decision of the board of directors of the Companies with respect to approval and/or filing whether required or not with the Governmental Authority shall be final and binding.

21. EFFECTIVE DATE OF THE SCHEME

This Scheme although to come into operation from Appointed Date shall not come into effect until the last of the following dates viz.

- (a) The date on which the last of all the consents, approvals, permissions, resolutions, sanctions and/or orders as are hereinabove referred to have been obtained or passed; and
- (b) The date on which all necessary certified copies of the order under sections 391 and 394 of the Act are duly filed with the Registrar of Companies, Maharashtra and such date shall be referred to as Effective Date for the purpose of the Scheme.

22. TAXES / DUTIES / CESS ETC.

- (a) The Transferee Company will be successor of the Transferor Company. The unutilized credits relating to Excise duties paid on inputs lying to the account of Transferor Company as well as the unutilized credits relating to Service Tax paid on input services consumed by the Transferor Company and unutilised credits relating to Value Added Tax shall be transferred to the Transferee Company automatically without any specific approval or permission as an integral part of the Scheme.

- (b) Income taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, Alternative Minimum Tax, Minimum Alternative Tax, wealth tax, if any (such taxes) paid by the Transferor Company, to the extent relevant or required, shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable.
- (c) If the Transferor Company is entitled to any benefits under Incentive Schemes and Policies, it is declared that the benefits under all such Incentive Schemes and Policies shall be transferred to and vested in the Transferee Company.
- (d) Upon this Scheme being effective, the Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds or credits etc. if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

23. EFFECT OF NON-RECEIPT OF APPROVAL/SANCTION

In the event of any of the said sanction and approval referred to in the preceding Clause 20 above not being obtained and/or the Scheme not being sanctioned by the High Court and/or the Order(s) not being passed as aforesaid before 31st December, 2017 or within such further period(s) as may be agreed upon from time to time by the Transferor Company (by its Directors) and by the Transferee Company (by its Directors) and the Board of the Directors of the Transferor Company and Transferee Company are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their power through and by its delegates, 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 right, obligation 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 this Scheme and or otherwise arise as per Law.

24. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses, including any taxes and duties of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company in pursuance of this Scheme shall be borne by the Transferee Company only.



403, Doshi Mansion, M. G. Cross Road No. 3, Kandivali (West), Mumbai – 400 067
Tel. : 022-28075626 • Cell : 8080757001 / 9869123301 • E-mail : jigneshgoradia_ca@yahoo.com

STRICTLY PRIVATE AND CONFIDENTIAL

04th April, 2016

To,
The Board of Directors,
Camphor and Allied Products Limited
Plot No. 3, GIDC Industrial Estate,
Nandesari – 391340
District Vadodara,
Gujarat

To,
The Board of Directors,
Oriental Aromatics Limited
Jehangir Building,
133, Mahatma Gandhi Road,
Fort,
Mumbai – 400 001

Dear Sirs,

Sub: Recommendation of fair exchange ratio of equity shares for the purpose of proposed amalgamation of Oriental Aromatics Limited and Camphor and Allied Products Limited.

In accordance with the terms of the engagement letter we, Jignesh Goradia & Associates (hereinafter referred to as “we” or “our”) has been engaged by the management of Camphor and Allied Products Limited and Oriental Aromatics Limited to recommend the fair exchange ratio of the equity shares of Oriental Aromatics Limited (hereinafter referred to as “OAL”) and Camphor and Allied Products Limited (hereinafter referred to as “CAPL”) in the event of amalgamation of OAL with CAPL (hereinafter collectively referred to as the “Companies”).



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1. Context and Purpose of Valuation

- a) We have been informed that the management of the Companies (hereinafter referred to as the "Management") are considering a proposal for the amalgamation of OAL with CAPL pursuant to provisions of Section 391 to 394 of the Companies Act, 1956 including any statutory modifications, re-enactments or amendments thereof and other applicable sections of the Companies Act, 1956 and shall include the relevant and corresponding sections under Companies Act, 2013, as and when the same are made applicable before the effective date of the Scheme of Amalgamation subject to receipt of necessary approvals (hereinafter referred to as the "Amalgamation").
- b) In this context, we have been engaged by the Management to carry out the relative valuation of equity shares of the Companies in order to recommend a fair exchange ratio of equity shares for the proposed Amalgamation of the Companies for the consideration of the board of directors of the Companies.
- c) We have been informed that the appointed date for the proposed Amalgamation would be April 01, 2016. Accordingly, the valuation date for carrying out the relative valuation of equity shares of the Companies and recommending the fair exchange ratio of equity shares has been taken as the beginning of April 01, 2016 (hereinafter referred to as the "Valuation Date").



- d) This report recommending the fair share exchange ratio for the consideration of the board of directors of the Companies (hereinafter referred to as the “Report”) is based on the documents and information provided to us by the Management which have been relied upon by us as true and correct and discusses the various valuation methods considered for carrying out the relative valuation of equity shares of the Companies and the weights assigned to each method of valuation to arrive at the fair weighted average value of the equity shares based on which the fair exchange ratio has been recommended.
- e) This Report is subject to the scope of our engagement and assumptions, exclusions, limitations and disclaimers contained in this Report.

2. Background of the Companies as explained by the Management

A. CAPL

- a) CAPL was incorporated on 07th April, 1972. Its equity shares are listed on BSE Limited.
- b) CAPL has been a pioneer in the field of Terpene Chemistry in India since more than four decades. It established the first Synthetic Camphor plant with technology from Dupont, USA.
- c) CAPL is India's largest manufacturers of variety of terpene chemicals and other speciality aroma chemicals. Its vast product range includes Synthetic Camphor, Terpeneols, Pine Oils, Resins, Astromusk, and several other chemicals finding applications in vast array of industries ranging from Flavours & Fragrances, Pharmaceuticals, Soaps & Cosmetics, Rubber & Tyre, Paints & Varnishes and many more.



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d) The board of directors of CAPL as on 31st March, 2016 are:

Sr. No.	Names of Directors	Designation
1.	Chandrika Anil Bodani	Chairperson
2.	Dharmil Anil Bodani	Managing Director
3.	Shyamal Anil Bodani	Executive Director
4.	Amruda Vivek Nair	Non – Executive Director
5.	Harshvardhan Ashok Piramal	Non – Executive Director
6.	Devendra Singh Raghava	Executive Director – Operations
7.	Ranjit Anand Puranik	Non – Executive Director
8.	Prakash Vasantlal Mehta	Non – Executive Director

e) The following table sets out the shareholding pattern of CAPL as on 31st March, 2016:

Class of Shareholders	No. of Equity Shares	Percentage of shareholding
Promoter and Promoter Group	29,60,280	57.66%
Public Shareholders		
- Institutions	7,309	0.14%
- Non-Institutions	21,66,085	42.20%
Total Public Shareholding	21,73,394	42.34%
Total	51,33,674	100%



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B. OAL

- a) OAL was incorporated on 14th March, 1973. It is an unlisted public limited company.
- b) OAL manufactures flavours and fragrances in India and abroad.
- c) Its custom designed fragrances are found in fine fragrances, soaps, incense sticks, candles, household cleaners, and mosquitoes gels.
- d) OAL also fragrances bar soaps, bath gels, shampoos, hair oils, laundry detergents, and fabric softeners in personal care and laundry care markets; and provides flavors for ice-creams, bakery, confectionary, beverages, chewing gums, and chocolate applications
- e) It exports to various countries in Africa, the Middle East, the Asia Pacific, and Europe.
- f) The company is based in Mumbai, India with plants in Mumbai and Indonesia.
- g) OAL is the holding company of CAPL.
- h) OAL has an investment in two foreign subsidiaries PT Oriental Aromatics and Oriental Aromatics Inc (hereinafter referred to as "PTOA" and "OALnc" respectively) as on the Valuation Date.



i) The board of directors of OAL as on 31st March, 2016 are:

Sr. No.	Names of Directors	Designation
1.	Chandrika Anil Bodani	Director
2.	Dharmil Anil Bodani	Managing Director
3.	Shyamal Anil Bodani	Director
4.	Ashwin Jayantkumar Ahya	Director

j) The following table sets out the shareholding pattern of OAL as on 31st March, 2016:

Class of Shareholders	No. of Equity Shares	Percentage of shareholding
Promoters	40,00,000	100%
Total	40,00,000	100%

3. Documents and Sources of Information

For the purpose of carrying out the valuation exercise we have relied upon, and the contents of this Report are based on, inter alia, the following documents provided, and representations given, by the Management and the documents/information which are available in the public domain.

- Memorandum of Association and Articles of Association of CAPL and OAL.
- Shareholding pattern of CAPL and OAL as on 31st March, 2016.
- List of directors of CAPL and OAL as on 31st March, 2016.
- Website of CAPL i.e. <http://www.camphor-allied.com/home>



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- e) Audited Financial Statements of CAPL for the year ended March 31, 2013, March 31, 2014 and March 31, 2015.
- f) Audited Financial Statements of OAL for the year ended March 31, 2013, March 31, 2014 and March 31, 2015.
- g) Limited Review Unaudited Financial Statements of CAPL for nine months ended 31st December, 2015.
- h) Management Certified Financial Statements of OAL as at 31st December, 2015.
- i) Audited Financial Statements of PTOA for the year ended March 31, 2015.
- j) Financial projections of OAL on consolidated basis for five (5) financial years (FY) from the FY 2016-17 to FY 2020-21.
- k) Estimated Financial Statements of CAPL, OAL, PTOA and OALnc as at 31st March, 2016.
- l) Market price data of CAPL from the website of the BSE Limited i.e. <http://www.bseindia.com>.
- m) Valuation Report dated 17th April, 2015 in relation to the valuation of land and building owned by OAL which is situated at Industrial Plot No. M-5, MIDC, Additional Ambernath Industrial Area, Jambhivli, Ambernath (East), Thane.
- n) Other relevant information made available to us by the Management through meetings, emails, discussions etc. and other clarifications and explanations as we required and which have been provided by the Management including the management representation letters.
- o) Further for our analysis and independent checks, we have relied on published and secondary sources of data available in public domain which can reasonably be relied upon. However, we have not independently verified the timeliness and precision of the same.



4. Our Scope, Assumptions, Exclusions and Limitations

- a) This Report is intended solely for the use and information of the Companies and only in connection with the proposed Amalgamation. Any person/party intending to provide finance/invest in the shares/businesses of any of the Companies, shall do so, after seeking their own professional advice and after carrying out their own due diligence procedures without relying on the contents of this Report.
- b) It is to be noted that this Report is confidential and reproduction of the contents of this Report or otherwise giving reference to the contents of this Report in part or full or placing any reliance on this Report, can be done only with our prior written consent and not otherwise.
- c) The information given and opinions expressed in this Report are based, on the documents and information provided by the Companies or their representatives and the same are relied upon by us as true and correct and, on sources believed to be reliable, and in good faith, but which may not be verified independently. We have also relied on the various representations, information and explanations given by the Management on the assets and liabilities of both the Companies and other related matters. We assume no responsibility for any omissions, errors or inaccuracy in the information furnished by the Companies and resulting impact on the present valuation exercise.



- d) No investigation of the Companies' claim to title of assets including the land owned by the Companies has been made by us for the purpose of this valuation and the claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the financial statements. Therefore, no responsibility is assumed for matters of a legal nature.
- e) During the course of valuation exercise, we have relied upon estimates, assumptions and projections made by the management of OAL. These estimates/assumptions require the exercise of judgment and are subject to uncertainties hence there can be no assurance as to their accuracy. The fact that we have considered the financial projections of OAL for this Report should not be construed or taken as our being associated with or a party to such projections. Since the estimates/projections relate to the future, actual results may be materially different from estimated/projected results because events and circumstances may not occur as expected due to internal and external factors.
- f) Our work did not constitute an audit, due diligence or validation of financial statements of the Companies. Our work did not constitute independent valuation of any assets or liabilities of the Companies. We wish to point out that whilst our opinion as to the fair share exchange ratio is one that we consider to be both reasonable and fair, others may have a different opinion. In this context we wish to point out observations of Lord Viscount Simon in *Gold Coast Selection Trust Limited v. Humphrey* (1949) 17 ITR Supplement 19 (House of Lords) that "Valuation is an art and not an exact science. Mathematical certainty is not demanded nor indeed is possible".



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- g) Valuation has been carried out assuming a reasonably good economic and business environment, with the factoring of all known risk factors. The methodology adopted may not be the sole criteria for valuing the business/shares and may vary for different categories of stakeholders. The perspective and intrinsic business value build-up is based on current facts and perceived achievable targets of the Companies.
- h) Normally, valuation of shares for the purpose of determining the exchange ratio of shares in an amalgamation can be made on a consideration of some or all of a number of relevant factors i.e. the market price (wherever there is one), dividend paid on the share, the relative worth and growth prospects of the companies under amalgamation, the ratio of distributable earnings to the shareholders, the value of the net assets of the companies under amalgamation, profitability trends, value of human resources, marketing and market position, earnings per share, government licenses, brand valuation, strengths and weaknesses and opportunities and threats to a company, etc. The answer to the question whether some or all of these factors can be applied will depend upon the circumstances of each case.
- i) Our Report is not, nor should it be construed as our opining or certifying the compliance of the proposed Amalgamation with the provisions of any applicable laws including the companies, taxation, securities, foreign exchange and capital market related laws or as regards any legal implications or issues arising from such proposed Amalgamation.



- j) The valuation analysis recommendation contained in this Report is not intended to represent the value at any time other than the date that is specifically stated in this Report. This report is issued on the understanding that the Management has drawn our attention to all matters of which they are aware concerning the financial position of the businesses, which may have an impact on our Report up to the date of issue. We have no responsibility to update this report for events and circumstances occurring after the date of this Report.
- k) While utmost care has been taken in preparing this Report, neither we nor our partners, managers, employees or agents of any of them make any guarantee, representation or warranty, whether express or implied and accept no responsibility or liability as to its accuracy or completeness of the data, being provided. All such parties expressly disclaim any and all liability for, or based on or relating to any such information contained in this Report.

5. Valuation Approach and Selection of appropriate valuation method and weightage to each selected method of valuation

A. Valuation Approach

Generally, for the purpose of valuation of equity shares of the companies under amalgamation, the following well established and commonly adopted broad methods of valuation can be considered:

- (i) the valuation method based on the 'underlying assets' owned by the companies;
- (ii) the valuation method based on the 'income' generating capability of the companies
and
- (iii) the valuation method based on 'market price' data of the companies.



Each method proceeds on different fundamental assumptions, which have greater or lesser relevance and at times even no relevance, to a given situation. Thus the methods to be adopted for a particular valuation must be judiciously chosen. The different valuation methods within the above stated broad methods and specific mechanism of valuation under each method is discussed in subsequent paras.

(i) the valuation based on the 'underlying assets' owned by the companies

- a) Under this category, the valuation is carried out based on the Net Asset Value (based on market values) of the company.
- b) Under the Net Asset Value method, the value per share is determined based on the market value of net assets of the company divided by the total number of equity shares. The net assets are arrived at by deducting gross liabilities from the gross assets of the company.
- c) In calculating the value of assets and liabilities, we have made appropriate adjustments, wherever warranted and possible, to the book values of such assets and liabilities to arrive at the current market value of such assets and liabilities. In other cases, the book values have been assumed to be the market values.
- d) The underlying net assets value as arrived above is divided by the outstanding number of equity shares to arrive at the fair value per share under this method.



(ii) the valuation based on the 'income' generating capability of the companies

This principle of valuation considers the expected income/cash flows the business is expected to generate and is most appropriate in case of a going concern. Under this principle of valuation, there are two widely accepted methods of valuation viz. 1) Earning Capitalisation Method (ECM) and 2) Discounted Cash Flow (DCF) method.

1) Earning Capitalisation Method (ECM)

- a) Under ECM, the value per share is determined based on the business value of the company divided by the total number of equity shares. The business value is derived by applying an appropriate capitalization rate as specified under erstwhile CCI guidelines to the maintainable earnings level of the company as a whole including its subsidiaries.
- b) The ECM involves determination of the maintainable earnings level of the company from its operations in past. For this purpose, earnings are calculated based on the actual earnings for certain past financial years. The earnings under consideration are summed-up and then averaged out to derive the maintainable earnings level of the company.
- c) The maintainable earnings level so derived are then capitalised at a capitalisation rate as mentioned above, which, in the opinion of the valuer, combines an adequate expectation of reward from enterprise and risk to arrive at the business value.



- d) The business value so arrived at is then divided by the number of outstanding equity shares to arrive at per share value. This method is based on the earning capacity of the business and is consistent with the "Going Concern" basis applicable to continuing business entities.

2) Discounted Cash Flow (DCF) method

- a) The DCF method is considered the most sound, scientific and acceptable method for determination of the value of a business undertaking on a going concern basis.
- b) The DCF method involves determination of projected free cash flows from business operations which are discounted at an appropriate discount rate to derive the present value. The sum total of present value of such projected free cash flows gives the enterprise value which is appropriately adjusted to arrive at the value of business for shareholders. Such business value is divided by the outstanding number of shares to obtain the value per share. The steps involved and mechanism to calculate variables used under this method is as below:
- Estimating the future free cash flows which are derived from the financial projections of the company. The future free cash flows consist of the cash flows for the explicit period and also of perpetuity period.
 - Free cash flows are the cash flows expected to be generated by the company that are available to all providers of the company's capital.
 - The cash flows are determined by deducting from the earnings before depreciation, interest and taxes (EBDIT), (i) cash taxes and ii) other non-cash charges. The cash flow so derived is adjusted for change in working

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capital requirements and capital expenditure to derive the free cash flows.

- Appropriate discount rate is applied to future cash flows to obtain the present value of such cash flows. This discount rate should reflect the opportunity cost of the capital providers i.e. weightage average cost of capital consisting of weightage cost of equity and cost of debt.
- To the sum of the present value of the cash flows for the explicit period and for the perpetuity, adjustments are made for loan funds, surplus assets, value of investments and contingent liabilities, after considering the tax impact wherever applicable.
- The value as arrived above is divided by the outstanding number of equity shares to arrive at the value per share.

(ii) the valuation based on the on 'market price' data of the companies

- a) Under this principle of valuation, the value of the share is based on the market price of the shares of the company listed on the recognised stock exchange i.e. the Market Price Method. Hence this method ideally can be applied to listed companies only.



- b) The Market Price is considered as indicative of the value perception for the shares by investors operating under free market conditions. The market price of an equity share as quoted on a stock exchange is normally considered as the fair value of the equity shares of that company since the market considers all the relevant factors affecting the business of the company and such factors are incorporated in the price of the equity shares. However yet times the market price may not indicate the actual fair value of the shares owing to many factors including speculative transactions, not properly appreciating the factors affecting the company by the investor community etc.
- c) Thus, under the Market Price method, we have considered the volume weighted average market price of CAPL quoted on the BSE Limited. For this purpose, we have considered the higher of the market price a) for the twenty-six (26) weeks period ended April 01, 2016 and b) two (2) weeks period ended April 01, 2016.

B. Selection of appropriate valuation method and weightage to each selected method of valuation

- a) The fair value of equity shares has to be determined after taking into consideration all the factors and valuation principles mentioned hereinabove.
- b) In this context, after considering the various relevant factors, we are of the opinion that it is appropriate to apply only Market Price Method as discussed above for valuing the equity shares of CAPL. CAPL being a listed company and having an established business track record, Market Price Method is appropriate to be considered for valuation of equity shares.



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- c) In the case of OAL, after considering the various relevant factors, we are of the opinion that it is appropriate to apply the applicable three methods i.e. 1) Net Asset Value method (based on market value) 2) ECM method and 3) DCF Method. OAL being an unlisted company, the Market Price Method cannot be applied.
- d) It is pertinent to note that the value per share derived under each method would be different owing to the different principles and techniques involved under each method. However, for the purposes of recommending a fair ratio of exchange, it is necessary to arrive at a single value for the shares of the OAL. It is however important to note that in doing so, we are not attempting to arrive at the absolute values of the shares of OAL but to work out a relative value per share appropriate under the given circumstances.
- e) For this purpose, it is necessary to give appropriate weightage to the values arrived at under each method in case of OAL so as to derive the fair share exchange ratio. Considering the fact that, after the Amalgamation, the business of OAL is intended to be continued by CAPL on a "going concern" basis, that there is no intention to dispose-off the assets, to arrive at relative value of OAL, we have considered it appropriate to give a lower weightage of 10% each to the Net Asset Value (based on market value) and ECM method as both the methods are based on historical data and higher weightage of 80% to the DCF method which is based on future profitability and cash flow and the same is also most acceptable method of valuation of an unlisted company. The weighted average value per share is arrived at after considering the above mentioned weights.



6. Exchange Ratio

On consideration of all the relevant factors and circumstances as discussed and stated in this Report, in our opinion, the fair exchange ratio of equity shares for the proposed Amalgamation of OAL with CAPL would be 1.56 fully paid up equity shares of face value of Rs. 10/- each of CAPL for every 1 (One) fully paid up equity share of face value of Rs. 10/- each of OAL.

Yours faithfully,

For Jignesh Goradia & Associates
Chartered Accountants
FRN : 114719W


Jignesh Goradia

Proprietor
M. No.: 048640



Place: Mumbai

April 4, 2016

**To,
The Board of Directors,
Camphor and Allied Products Limited
GIDC Industrial Estate,
Plot No 3, Nandesari,
Vadodara,
Gujarat, 391340**

**To,
The Board of Directors,
Oriental Aromatics Limited
Jehangir Building,
133, Mahatma Gandhi Road,
Fort, Mumbai – 400 001**

Sub: Fairness Opinion on the report of Jignesh Goradia & Associates, Chartered Accountants, Mumbai with respect to the proposed Amalgamation of Oriental Aromatics Limited and Camphor and Allied Products Limited.

Dear Sirs,

We, Vivro Financial Services Private Limited ('Vivro', 'we', 'us', 'our'), refer to our engagement letter dated April 2, 2016 whereby Camphor and Allied Products Limited (hereinafter referred to as 'CAPL' the Company', 'You', 'Your') have appointed us as an Independent Merchant Banker for furnishing a "Fairness Opinion" on the valuation carried out by Jignesh Goradia & Associates, Chartered Accountants, ("Valuer"), vide its Valuation Report dated April 4, 2016 pursuant to the proposed Scheme of Amalgamation of Oriental Aromatics Limited with Camphor and Allied Products Limited pursuant section 391-394 of the Companies Act, 1956.

1. SOURCE OF INFORMATION

We have relied on the following information made available to us by the management of both the Companies for purpose of this opinion:

1. Memorandum and Articles of Association of CAPL and OAL;
2. Audited Accounts of CAPL and OAL for the Financial Year ended on March 31, 2015, March 31, 2014 and March 31, 2013;
3. Management Certified Financial Statements of OAL for 9 months period ended on December 31, 2015;

Vivro Financial Services Private Limited

Regd. Office :

Vivro House, 11 Shashi Colony, Opp. Suvidha Shopping Centre, Paldi, Ahmedabad, Gujarat, India - 380 007

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CIN - U67120GJ1996PTC029182, Merchant Banker Sebi. Reg. No. INM000010122, AMBI Reg. No. AMBI/086



4. Valuation Report prepared by Jignesh Goradia & Associates, Chartered Accountants, dated April 4, 2016 for the purpose of ascertaining share exchange ratio for the proposed Scheme of Amalgamation of CAPL and OAL.
5. Draft Scheme of Arrangement in nature of Amalgamation between CAPL and OAL.
6. Shareholding Pattern of both the Companies as on March 31, 2016.
7. Valuation Report of Land & Building of OAL prepared by RBSA Valuation Advisors LLP dated April 17, 2015.
8. Consolidated Financial Projections of OAL along with its subsidiaries and affiliates for next 5 years duly certified by the Management of OAL;
9. Details of Market Price and trading of Equity Shares of CAPL;
10. Such other information and explanations as required and which have been provided by the management of the Companies, which were considered relevant for purpose of carrying out this assignment.

2. DISCLAIMER

This Fairness Opinion Report is prepared by Vivro Financial Services Private Limited under an engagement from CAPL on the basis of information, documents, papers, and explanations given by the management, officers and staff of CAPL and OAL to Vivro.

In preparing the Fairness Opinion Report, Vivro has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and financial data provided by the Companies. Vivro has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information.

Vivro has also considered the proposed Scheme of amalgamation as furnished. It is assumed that the proposed Scheme will be consummated in accordance with the expected terms.

Vivro shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly on account of the use of or reliance on the information set out herein in this report.

Vivro Financial Services Private Limited



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Regd. Office :

Vivro House, 11 Shashi Colony, Opp. Suvidha Shopping Centre, Paldi, Ahmedabad, Gujarat, India - 380 007

Tel. : +91 (79) 3299 3233/44, Fax : +91 (79) 2665 0570

CIN - U67120GJ1996PTC029182, Merchant Banker Sebi. Reg. No. INM000010122, AMBI Reg. No. AMBI/086

Vivro has not provided any accounting, tax or legal advice to any Company involved in the transaction. Fairness Opinion Report should not be construed as investment advice or any form of recommendation either for making or divesting investment in any of the companies involved in the transaction.

This Opinion is furnished on a strictly confidential basis. Neither this Opinion nor the information contained herein may be reproduced or passed to any person or used for any purpose other than stated above or as may be required under applicable laws and regulation.

The fee for our services is not contingent upon the results of the proposed amalgamation. This opinion is subject to Laws of India.

This Report is necessarily based on various factors and conditions as of the date hereof, and the written and oral information made available to us until April 4, 2016. It is understood that subsequent developments may affect the conclusions of the Report and of the Opinion and that, in addition, Vivro has no obligation to update, revise, or reaffirm the Opinion.

3. LIMITATIONS -

Our report is subject to the scope limitations detailed hereinafter. The report should be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

In course of the present exercise, we were provided with both written and verbal information, including financial data. Our report is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the historical financial statements and the information and representations furnished to us without carrying out any audit or other tests to verify the accuracy with limited independent appraisal. Also, we have been given to understand by the managements of the companies that they have not omitted any relevant facts and material factors. Accordingly, we do not express any opinion in any form of assurance regarding its accuracy and completeness. We assume no responsibility whatsoever for any errors in the above information furnished by the companies and their impact on the present exercise. We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.

Our work does not constitute an audit or certification or due diligence of the past financials of CAPL and OAL used in the study and we have relied upon the information

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provided to us by the management of both the Companies as regards such working results.

We express no opinion whatsoever and make no recommendation at all to the companies underlying decision to effect the proposed Scheme or as to how the holders of equity shares-or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection with the proposed Scheme. We accept no responsibility as to the prices at which the equity shares of CAPL will trade following the announcement of the proposed Scheme or as to the financial performance of CAPL following the consummation of the proposed Scheme.

Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed merger with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon, in their respective jurisdiction.

No investigation of the companies claim to the title of assets or property owned by the companies has been made for the purpose of the fairness opinion. With regard to the companies claim we have relied solely on representation, whether verbal or otherwise made, by the management to us for the purpose of this report.

Our analysis and results are also specific to the date of this report. An exercise of this nature involves consideration of various factors. This report is issued on the understanding that the companies have drawn our attention to all the matters, which they are aware of considering the financial position of the Companies, their businesses, and any other matter, which may have an impact on our opinion for the proposed amalgamation, including any significant changes that have taken place or are likely to take place in the financial position of the Companies or their businesses subsequent to the proposed Appointed Date of the proposed Scheme. We have no responsibility to update this report for events and circumstances occurring after the date of this report. We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.

4. BACKGROUND OF COMPANIES

CAMPBOR AND ALLIED PRODUCTS LIMITED -Transferee Company

- CAPL is a Public Company incorporated on 07th April, 1972 under the Companies Act, 1956 having its registered office situated at GIDC Industrial Estate, Plot No 3, Nandesari, Vadodara, Gujarat, 391 340.



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CIN - U67120GJ1996PTC029182, Merchant Banker Sebi. Reg. No. INM000010122, AMBI Reg. No. AMBI/086

- The Company is engaged into the business of manufacturing Terpene Chemicals and other Specialty Aroma Chemicals. The product range of the Company includes Synthetic Camphor, Terpeneols, Pine Oils, Resins, Astromusk, and several other chemicals finding applications in vast array of industries ranging from Flavours & Fragrances, Pharmaceuticals, Soaps & Cosmetics, Rubber & Tyre, Paints & Varnishes. It established the first Synthetic Camphor plant with technology from Dupont, USA.
- The Equity Shares of the Company are listed on BSE Limited. The Equity Shares of the Company are frequently traded on the Stock Exchange.

Financial Performance of the Company:
₹ In Lacs

Particulars	2014-15(A)	2013-14(A)	2012-13(A)
Total Revenue	35,592.73	31,074.02	21,719.12
Profit Before Tax	2694.01	3,125.81	3,475.95
Profit After Tax	1,925.64	2,010.81	2,393.81
Shareholders' Funds	13,391.79	11,613.66	9,722.98

Board of Directors of CAPL:

Sr. No.	Names of Directors	Designation
1.	Mrs. Chandrika Anil Bodani	Executive Chairperson
2.	Mr. Dharmil A Bodani	Managing Director
3.	Mr. Shyamal A Bodani	Executive Director
4.	Mr. Devendra Singh Raghava	Executive Director-Operations
5.	Mr. Harshvardhan Piramal	Director
6.	Mr. Ranjit Puranik	Director
7.	Mr. Prakash Mehta	Director
8.	Ms. Amruda Nair	Director

Shareholding Pattern of CAPL:

Sr. No.	Particulars	No. of Shares	% of shareholding
1.	Promoter and Promoter Group	29,60,280	57.66%
2.	Public Shareholders	21,73,394	42.34%
Total		51,33,674	100%


Vivro Financial Services Private Limited

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ORIENTAL AROMATICS LIMITED - Transferor Company

- OAL is a Public Company incorporated on 14th March, 1973 under the Companies Act, 1956. It is an unlisted public limited company having its registered office at Jehangir Building, 133, Mahatma Gandhi Road, Fort, Mumbai – 400 001.
- The Company is engaged into the business of manufacturing flavours and fragrances and perfumes in India and abroad. The product range of the Company includes Custom designed fragrances in fine fragrances, incense sticks, candles, household cleaners and mosquitoes gels, bar soaps, bath gels, shampoos, hair oils, laundry detergents, and fabric softeners in personal care and laundry care markets; and provides flavors for bakery, confectionary, beverages, chewing gums, and chocolate applications.
- The manufacturing facilities of the Company are located at Mumbai and Indonesia.
- OAL is the holding company of CAPL and holds 57.66% stake in CAPL. OAL also has an investment in two foreign subsidiaries PT Oriental Aromatics and Oriental Aromatics Inc.

• **Financial Performance of the Company (Standalone):**

₹ In Lacs

Particulars	2014-15(A)	2013-14(A)	2012-13(A)
Total Revenue	11,575.87	10,249.82	8,880.31
Profit Before Tax	745.00	1,884.27	787.74
Profit After Tax	609.85	1,466.35	586.36
Shareholders' Funds	13,021.25	12,842.05	11,375.70

• **Board of Directors of OAL:**

Sr. No.	Names of Directors	Designation
1.	Mrs. Chandrika Anil Bodani	Director
2.	Mr. Dharmil Anil Bodani	Managing Director
3.	Mr. Shyamal Anil Bodani	Director
4.	Mr. Ashwin Jayantkumar Ahya	Director

Vivro Financial Services Private Limited



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• Shareholding Pattern of OAL:

Sr. No.	Names of Shareholder	No. of Shares	% of Shareholding
1.	Chandrika A. Bodani	24,00,000	60.0000%
2.	Dharmil A. Bodani	799,700	19.9925%
3.	Shyamal A. Bodani	799,900	19.9975%
4.	Yuvraj D. Bodani Jointly with Dharmil A. Bodani	100	0.0025%
5.	Veer D. Bodani Jointly with Dharmil A. Bodani	100	0.0025%
6.	Chandrika A. Bodani Jointly with Dharmil A. Bodani	100	0.0025%
7.	Chandrika A. Bodani Jointly with Shyamal A. Bodani	100	0.0025%
Total		4,000,000	100.00%

5. SCOPE AND PURPOSE OF THIS REPORT

We understand that the Board of Directors of CAPL and OAL have considered and proposed a Scheme of Amalgamation of OAL with CAPL, pursuant to the provisions of section 391 to 394 and other relevant provisions of the Companies Act, 1956 and the applicable provisions of the Companies Act, 2013. OAL is the holding company of CAPL and the promoters of OAL are also promoters of CAPL.

In order to comply with the requirements of the regulations, the Company has appointed Jignesh Goradia & Associates, Chartered Accountants, Mumbai as the Valuer.

In this connection, the Management has engaged Vivro to submit a report on the Fairness of the Report provided by the Valuer. Our scope of work only includes forming an opinion on the fairness of the recommendation given by the Valuer on the exchange ratio arrived at for the purpose of the proposed Scheme of Arrangement and not on the fairness or economic rationale of the amalgamation per se.

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

**Vivro Financial Services Private Limited**

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6. VALUER'S RECOMMENDATION

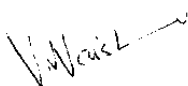
After using several commonly used and accepted methods of determining the value of equity shares of a company, it has been recommended by the Valuer that the fair exchange ratio for the merger of OAL with CAPL should be 1.56 Equity Shares of CAPL having fully paid up face value of ₹ 10 each for every fully paid up equity share of OAL of ₹ 10 each.

7. OUR OPINION ON THE VALUER REPORT

The fairness opinion has been prepared based on the Valuer's report and our analysis of the various factors relevant to the Companies, having regard to the information submitted, management representations, key underlying assumptions and limitations.

In view of the above and on consideration of all relevant factors and circumstances, we believe that the Valuer's recommendation that as consideration 1.56 equity shares of CAPL having fully paid up face value of ₹ 10 each for every fully paid up equity share of OAL of ₹ 10 each in our opinion, is Fair.

For, Vivro Financial Services Private Limited


Vivek Vaishnav
(Director)



Date: April 4, 2016
Place: Mumbai

Vivro Financial Services Private Limited

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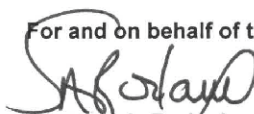
CIN - U67120GJ1996PTC029182, Merchant Banker Sebi. Reg. No. INM000010122, AMBI Reg. No. AMBI/086

ORIENTAL AROMATICS LIMITED

PROVISIONAL BALANCE SHEET AS AT 31ST DECEMBER, 2016

		As at 31st December, 2016	As at 31st March, 2016
Particulars	Rupees	Rupees	Rupees
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	40,000,000		40,000,000
(b) Reserves and Surplus	1,389,316,557	1,429,316,557	1,369,595,213
2 Non-Current Liabilities			
(a) Long-Term Borrowings	6,489,000		25,956,656
(b) Deferred Tax Liabilities	-	6,489,000	-
3 Current Liabilities			
(a) Short-Term Borrowings	106,960,254		75,449,968
(b) Trade Payables	222,203,262		136,898,921
(c) Other Current Liabilities	32,426,800		29,880,847
(d) Short-Term Provision	1,987,122		3,923,379
TOTAL		1,799,382,995	1,681,704,984
II. ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	361,022,292		373,729,284
(ii) Intangible Assets	151,156		158,587
(b) Non-Current Investments	476,934,823		476,934,823
(c) Deferred Tax Assets	2,644,127		3,311,103
(d) Long-Term Loans and Advances	110,636,558	951,388,956	97,086,410
2 Current assets			
(a) Inventories	447,964,000		354,044,535
(b) Trade Receivables	224,024,488		268,585,405
(c) Cash and Cash Equivalents	9,033,309		10,795,182
(d) Short-Term Loans and Advances	166,171,718		96,259,131
(e) Other Current Assets	800,524	847,994,039	800,524
TOTAL		1,799,382,995	1,681,704,984
Significant Accounting Policies			
Accompanying notes are an integral part of the financial statements.			

For and on behalf of the Oriental Aromatics Limited


Shyama A. Bodani
Director

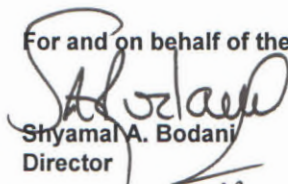


ORIENTAL AROMATICS LIMITED

PROVISIONAL STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST DECEMBER, 2016

	Particulars	As at 31st December, 2016	For the year ended 31st March, 2016
		Rupees	Rupees
I.	Revenue from operations	845,371,930	1,179,897,587
II.	Other income	8,685,176	24,672,989
III.	Total Revenue (I + II)	854,057,106	1,204,570,576
IV.	Expenses:		
	(a) Cost of materials consumed	668,853,114	912,425,528
	(b) Manufacturing and operating costs	53,047,221	65,542,240
	(c) Changes in inventories of finished goods and Work-in-Progress	3,122,270	(273,727)
	(d) Employee benefits expense	26,616,130	34,649,335
	(e) Finance costs	6,817,414	10,952,524
	(f) Depreciation and Amortization	18,604,780	25,684,908
	(g) Other expenses	42,167,438	57,180,983
	Total expenses	819,228,367	1,106,161,791
V.	Profit before exceptional item and tax (III-IV)	34,828,740	98,408,785
VI.	Exceptional Items		
	Depreciation due to change in Method		57,984,138
	Sample Expenses of earlier years		(4,645,423)
VII.	Profit before tax(V - VI)	34,828,740	151,747,501
VIII.	Tax expense:		
	(a) Current tax	10,000,000	30,000,000
	(b) Deferred tax	666,976	889,301
	(c) Tax in respect of earlier years	-	-
		10,666,976	30,889,301
IX.	Profit for the period (VII-VIII)	24,161,764	120,858,200
X.	Earnings per equity share		
	Basic & Diluted (face value of Rs. 10 each)		
Significant Accounting Policies and accompany Notes form integral part of the Financial Statements			

For and on behalf of the Oriental Aromatics Limited


Shyamal A. Bodani
Director



Camphor & Allied Products Limited

Balance Sheet as at 31st December, 2016

Particulars		As at 31-12-2016 ₹ in Lacs	As at 31-03-2016 ₹ in Lacs
I.	EQUITY AND LIABILITIES		
	Shareholders' Funds		
	(a) Share Capital	513.37	513.37
	(b) Reserves and Surplus	16,900.75	15,054.37
2	Non-Current Liabilities		
	(a) Long-Term Borrowings	700.00	-
	(b) Deferred Tax Liabilities (Net)	1,969.15	1,834.95
	(c) Other Long Term Liabilities	300.51	301.09
	(d) Long-Term Provisions	-	-
3	Current Liabilities		
	(a) Short-Term Borrowings	7,395.52	9,526.97
	(b) Trade Payables	2,021.76	2,450.65
	(c) Other Current Liabilities	456.14	1,628.04
	(d) Short-Term Provisions	157.33	303.43
	TOTAL	30,414.51	31,612.87
II.	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets		
	(i) Tangible Assets	11,639.68	12,162.77
	(ii) Intangible Assets	1,224.39	1,463.70
	(iii) Capital Work-In-Progress	556.25	7.34
	(iv) Intangible Assets Under Development	-	59.90
	(b) Long-Term Loans and Advances	632.64	375.93
2	Current assets		
	(a) Inventories	7,587.44	7,327.03
	(b) Trade Receivables	7,073.51	7,849.21
	(c) Cash and Bank Balances	206.59	287.19
	(d) Short-Term Loans and Advances	1,335.26	1,859.83
	(e) Other Current Assets	158.75	219.97
	TOTAL	30,414.51	31,612.87
Significant Accounting Policies and accompany Notes form integral part of the Financial Statements			
		1-39	

For and on behalf of
Camphor & Allied Products Limited

Dharmil A. Bodani
Dharmil A. Bodani
Managing Director




Camphor & Allied Products Limited

Statement of Profit and Loss for the year ended 31st December, 2016

Particulars	For the year ended 31st Dec. 2016	For the year ended 31st March, 2016
	₹ in Lacs	₹ in Lacs
I. Revenue from operations	27,368.88	37,527.21
Less : Excise Duty	1,813.11	2,435.45
Total Revenue from Operations	25,555.77	35,091.76
II. Other income	101.77	226.75
III. Total Revenue (I + II)	25,657.54	35,318.51
IV. Expenses:		
Cost of materials consumed	15,911.46	21,634.53
Manufacturing and operating costs	3,518.22	4,538.88
Changes in inventories of finished goods and Work-in-Progress	(718.61)	837.43
Employee benefits expense	1,344.20	1,547.36
Finance costs	517.48	946.36
Depreciation and amortization expense	856.45	941.88
Other expenses	1,437.73	1,566.68
Total expenses	22,866.94	32,013.12
V. Profit before exceptional item and tax (III-IV)	2,790.60	3,305.39
VI. Exceptional items		
MTM (Loss) / Reversal on Interest Rate Swap Derivative	12.03	86.46
Total Exceptional Item	12.03	86.46
VII. Profit before tax (V- VI)	2,802.63	3,391.85
VIII. Tax expense:		
(1) Current tax	821.80	796.00
(2) Deferred tax	134.20	327.21
(3) Tax in respect of earlier years	0.25	-
Total Tax Expense	956.25	1,123.21
IX Profit (Loss) for the period (VII - VIII)	1,846.38	2,268.64
X Earnings per equity share of face value of Rs. 10 each		
Before exceptional items		
Basic & Diluted	35.73	42.51
After exceptional items		
Basic & Diluted	35.97	44.19
Significant Accounting Policies and accompany Notes form integral part of the Financial Statements		

For and on behalf of
Camphor & Allied Products Limited


Dharmil A. Bodani
Managing Director



LIMITED REVIEW REPORT**Review Report
To the Board of Directors
CAMPHOR & ALLIED PRODUCTS LIMITED**

We have reviewed the accompanying statement of unaudited financial results of **CAMPHOR & ALLIED PRODUCTS LIMITED** ('the Company') for the quarter and nine months period ended **31st December, 2016** being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 05th July, 2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Accounting Standards notified under Companies Act, 2013 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated 05th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Mumbai
13th February, 2017



**For Lodha and Co.
Chartered Accountants
Firm Registration No. 301051E**

(Signature)
**A. M. Hariharan
Partner
Membership No. 38323**

'DCS/AMAL/ND/24(f)/462/16-17
July 19, 2016

The Company Secretary
Camphor & Allied Products Limited
GIDC Industrial Estate,
Plot No 3, Nandesari,
Vadodara 391340



Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Amalgamation of Oriental Aromatics Limited with Camphor & Allied Products Limited.

We are in receipt of Draft Scheme of Amalgamation of Oriental Aromatics Limited with Camphor and Allied Products Limited and their respective shareholders and creditors filed as required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated July 19, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company to ensure that additional information, if any, submitted by the Company, after filling the scheme with the stock exchange, is displayed from the date of receipt of this letter on the website of the listed company"
- "Company shall duly comply with various provisions of the Circulars."

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

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

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

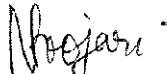
Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

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

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

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

Yours faithfully,



Nitin Pujari
Manager



BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Registered Office : Floor 25, P J Towers, Dalal Street, Mumbai 400 001 India
T : +91 22 2272 1234/33 E: corp.com@bseindia.com www.bseindia.com
Corporate Identity Number : UG7120MH2005PLC165126



Camphor & Allied Products Ltd.

H. O. : Jehangir Bldg., 2nd Floor, 133 M.G. Road, Mumbai - 400001 India
T : 91 22 43214000 F : 91 22 43214099 E : sales@camphor-allied.com
CIN : L17299GJ1972PLC011626

May 30, 2016

To
The General Manager,
Department of Corporate Services,
BSE Limited,
Phiroze Jijibhoy Towers,
Dalal Street, Fort,
Mumbai 400 001

BSE Scrip Code: 500078

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the proposed Scheme of Amalgamation of Oriental Aromatics Limited with Camphor and Allied Products Limited.

Subject: Complaints Report

Dear Sir/Ma'am,

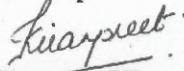
This is with reference to the abovementioned application.

In terms of the Para 1(A)(6) of Annexure 1 of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015, Complaints Report containing details of complaints / comments received on the draft Scheme as per Annexure III of the said Circular is attached and marked as "Exhibit -1".

Request you to kindly acknowledge the same and process our application at the earliest.

Yours Faithfully,

For Camphor and Allied Products Limited


Kiranpreet Gill

Compliance Officer

Encl: As above.



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Factory : P.O. Clutterbuckganj, Dist. Bareilly (U.P.) 243 502. T : 91 581 2561115 / 2561128 F : 91 581 2561112
www.camphor-allied.com



Camphor & Allied Products Ltd.

H. O. : Jehangir Bldg., 2nd Floor, 133 M.G. Road, Mumbai - 400001 India
T : 91 22 43214000 F : 91 22 43214099 E : sales@camphor-allied.com
CIN : L17299GJ1972PLC011626

Complaints Report

Part A

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

Part B

Sr. No.	Name of complainant	Date of Complaint	Status (Resolved/pending)
1	N.A.	N.A.	N.A.



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Camphor & Allied Products Ltd.

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Mumbai - 400001, Maharashtra, India. T : 91 22 43214000 F : 91 22 43214099
E : grievance@camphor-allied.com CIN : L17299MH1972PLC285731

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF CAMPHOR AND ALLIED PRODUCTS LIMITED AT ITS MEETING HELD ON FEBRUARY 13, 2017 AT 133, JEHANGIR BUILDING, 2nd FLOOR, MAHATMA GANDHI ROAD, FORT, MUMBAI 400001, MAHARASHTRA ON EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO

The Scheme of Amalgamation ("Scheme") providing amalgamation of Oriental Aromatics Limited ("the Transferor Company") with Camphor and Allied Products Limited ("the Transferee Company" / "Company") pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and such other applicable provisions of the Companies Act, 2013 as may be notified from time to time was approved by the Board of Directors vide board resolution dated 04th April, 2016. Subsequent to the said date, provisions of Section 230 to Section 232 of the Companies Act, 2013 ("Act") inter-alia governing merger and amalgamation of companies have become operative with effect from 15th December, 2016.

As per Section 232(2)(c) of the Act, a report adopted by the directors explaining effect of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio and is required to be circulated to the shareholders and creditors along with the notice convening the meeting. Having regard to the aforesaid new provisions, following may be discussed by the Board of Directors:

1. For the Scheme, the valuation report was obtained from M/s Jignesh Goradia and Associates, Chartered Accountants who had recommended the following ratio in their report dated April 04, 2016:
 - i) 1.56 (One point Five Six) fully paid up Equity Shares of Rs.10/- (Rupees Ten only) each of Transferee Company to be issued and allotted for every 1 (one) fully paid up equity share of Rs. 10 held in the Transferor Company.
2. Fairness opinion on the above-mentioned valuation report was also obtained from Vivro Financial Services Private Limited dated April 04, 2016.
3. The Transferee Company has only one class of shareholders, i.e., equity shareholders. All the shareholders of the Transferor Company will be getting shares of the Company based on the share exchange ratio mentioned above. Presently the Transferor Company being the promoter and holding company of the Company holds appx. 57.66% of the issued, subscribed and paid up equity share capital totalling in all 29,60,280 shares of the issued, subscribed and paid up equity share capital of the Company. Thus, so far as the equity shares of the Company held by the Transferor Company are concerned, such shares would be cancelled, on the Effective Date (as defined in the Scheme) and the capital of the Transferee Company shall be reduced to that extent and the equity shares of the Company will be issued to the shareholders of the Transferor Company in the exchange ratio mentioned above and they will then become part of the promoters / promoter group of the Company pursuant to the Scheme being effective. The overall promoters' shareholding in the Company will increase from 57.66% to 74.17%. The shareholding of the public shareholders in absolute number terms will remain same post amalgamation. There will be dilution in the shareholding of the Public Shareholders in the Company on amalgamation of

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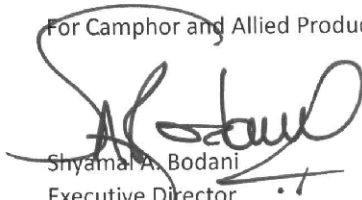
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the Transferor Company with the Company in percentage terms from 42.34% to 25.83%, however, the value of their holding is likely to have positive impact and that the proposed amalgamation will be beneficial to the public shareholders of the Company also due to various factors like higher net-worth base, synergistic and economic benefits, consolidation of finances along with operational expertise, effectiveness and backward integration of the business of the Transferee Company and cost saving which in turn will lead to further prosperity of the Transferee Company and its shareholders on account of the amalgamation.

4. Mr. Dharmil A. Bodani one of the shareholders of the Transferor Company is also the Key Managerial Personnel (Managing Director) of the Company and pursuant to the Scheme he will receive shares of the Company and will be classified as promoter of the Company. Apart from this, the Scheme would not have any effect on Key Managerial Personnel's of the Company.

For Camphor and Allied Products Limited


Shyamal A. Bodani
Executive Director
DIN: 00617950



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Oriental Aromatics Ltd.

CREATORS AND MANUFACTURERS OF FLAVORS AND FRAGRANCES

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CIN No. : OAL-U24240MH1973PLC016382

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ORIENTAL AROMATICS LIMITED AT ITS MEETING HELD ON 16TH JANUARY, 2017 AT 133, JEHANGIR BUILDING, 2ND FLOOR, MAHATMA GANDHI ROAD, FORT, MUMBAI 400001, MAHARASHTRA ON EFFECT OF THE SCHEME ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS, NON-PROMOTER SHAREHOLDERS, LAYING OUT IN PARTICULAR THE SHARE EXCHANGE RATIO

The Scheme of Amalgamation ("Scheme") providing amalgamation of Oriental Aromatics Limited ("the Transferor Company" / "Company") with Camphor and Allied Products Limited ("the Transferee Company") pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 and such other applicable provisions of the Companies Act, 2013 as may be notified from time to time was approved by the Board of Directors vide board resolution dated 04th April, 2016. Subsequent to the said date, provisions of Section 230 to Section 232 of the Companies Act, 2013 ("Act") inter-alia governing merger and amalgamation of companies have become operative with effect from 15th December, 2016.

As per Section 232(2)(c) of the Act, a report adopted by the directors explaining effect of compromise on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders and creditors along with the notice convening the meeting. Having regard to the aforesaid new provisions, following was discussed by the Board of Directors:

1. For the Scheme, the valuation report was obtained from M/s Jignesh Goradia and Associates, Chartered Accountants who had recommended the following ratio in their report dated April 04, 2016:
 - i) 1.56 (One point Five Six) fully paid up Equity Shares of Rs.10/- (Rupees Ten only) each of Transferee Company to be issued and allotted for every 1 (one) fully paid up equity share of Rs. 10 held in the Transferor Company.
2. Fairness opinion on the above-mentioned valuation report was also obtained from Vivro Financial Services Private Limited dated April 04, 2016.
3. The Transferor Company has only one class of shareholders, i.e., equity shareholders. As far as the shareholders of the Company are concerned, pursuant to Scheme, all the shareholders of the Company will be getting shares of the Transferee Company based on the share exchange ratio mentioned above. Presently the Company being the promoter and holding company of the Transferee Company holds appx. 57.66% of the issued, subscribed and paid up equity share capital totalling in all 29,60,280 shares of the issued, subscribed and paid up equity share capital of the Transferee Company. Thus, so far as the equity shares of the Transferee Company held by the Company are concerned, such shares would be cancelled, on the Effective Date (as defined in the Scheme) and the capital of the Transferee Company shall be reduced to that extent and the equity shares of the Transferee Company will be issued to the shareholders of the Transferor Company in the exchange ratio mentioned above and they will then become part of the promoters / promoter group of the



Oriental Aromatics Ltd.

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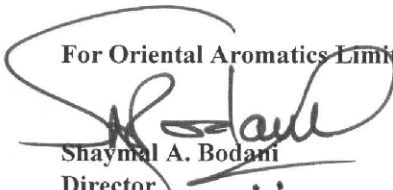
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CIN No. : OAL-U24240MH1973PLC016382

Transferee Company pursuant to the Scheme being effective. The shareholders of the Company will now get shares of the Transferee Company which will be listed on BSE Limited. Further, the proposed amalgamation will be beneficial to the shareholders of the Company post amalgamation due to higher net-worth base, synergistic and economic benefits, consolidation of finances along with operational expertise, effectiveness and backward integration of the business of the Transferee Company and cost saving which in turn will lead to further prosperity of the Transferee Company and its shareholders on account of the amalgamation.

4. Mr. Dharmil A. Bodani, one of the shareholder of the Company is Key Managerial Personnel of the Company and pursuant to the Scheme he will receive shares of the Transferee Company and will be classified as promoters of the Transferee Company. Apart from this, the Scheme would not have any effect on Key Managerial Personnel's of the Company.

For Oriental Aromatics Limited


Shaymal A. Bodani
Director
DIN: 000617950



