



**EXTRACTS OF THE MINUTES OF THE 214<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS OF HIMADRI SPECIALITY CHEMICAL LTD (FORMERLY KNOWN AS HIMADRI CHEMICALS & INDUSTRIES LIMITED) HELD AT ITS' CORPORATE OFFICE 8, INDIA EXCHANGE PLACE, 2<sup>ND</sup> FLOOR, KOLKATA - 700 001 ON MONDAY THE 13 AUGUST 2018 AT 03:30 PM AND CONCLUDED AT 05:20 PM**

16. Considered and approved the proposal of merger of Equal Commodeal Private Limited a Wholly Owned Subsidiary Company with its Parent Company (HSCL) and to approve the draft of scheme of Merger / Amalgamation and to make necessary petition to the concerned authority for their sanction and approval and to invite any objections if any;

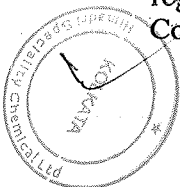
The Secretary placed before the Board a Draft Scheme for the Merger of Equal Commodeal Private Limited ('ECPL'), wholly owned subsidiary Company with its Parent Company (HSCL) to be effective from Appointed Date i.e. 1 April, 2018.

The Secretary also placed Report of the Audit Committee recommending the draft scheme of merger of its wholly owned subsidiary company (Equal Commodeal Private Limited, Transferor Company) with Himadri Speciality Chemical Limited (Transferee Company).

The Board may consider that:-

The Transferee Company as the parent would like to integrate and consolidate its Subsidiary. The circumstances that justify the proposed scheme and its main benefits are *inter-alia*, summarised as under.

- 1.1.1. The Transferee Company would be able to operate more effectively with a larger asset base available resulting into better turnover and profits which if not merged, would remain idle with the Transferor Company which is not able to carry on any business effectively.
- 1.1.2. To achieve greater integration and greater financial strength and flexibility, to maximise overall shareholder value.
- 1.1.3. To achieve cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements and rationalization of administrative expenses.
- 1.1.4. Some facilities such as manpower, office space and other infrastructure could be better utilized by the Transferee Company and duplication of facilities could be avoided resulting in economic, efficient and optimum use of facilities to the advantage of the Transferee Company and achieve cost savings from more focussed operational efforts, rationalisation, standardisation and simplification of business processes.
- 1.1.5. The merger will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried on by the Transferor Company and the Transferee Company.



For Himadri Speciality Chemical Ltd

*R. C. Choudhary*

Managing Director  
DIN: 00173792

**Himadri Speciality Chemical Ltd**

(Formerly known as Himadri Chemicals & Industries Limited) CIN: L27106WB1987PLC042756  
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Corp. Office: 8, India Exchange Place, 2nd Floor, Kolkata - 700 001, India  
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- 1.1.6. The merger will result in economies of scale, reduction in overheads including administrative, managerial and other expenditure, organisational efficiency and optimal utilisation of resources.
- 1.1.7. AAT Global Limited, currently a step-down subsidiary of HSCL, will become direct subsidiary, leading to improvement in corporate governance and control over the said Company.
- 1.1.8. The banks, creditors and financial institutions, if any, are in no manner affected adversely by the proposed merger as their security and asset cover will be maintained.

The CFO explained the Board that the Scheme involves merger of a WOS with its Holding Company wherein no shares shall be issued by the Holding Company as consideration and the entire share capital of the WOS shall be cancelled on merger.

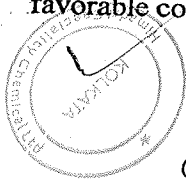
The Board further noted that as no shares shall be issued by the Company in terms of the Scheme there will not be any change in its Shareholding Pattern post amalgamation and accordingly a Valuation Report from an Independent Chartered Accountant shall not be required in terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

After discussions, the Board noted that the Scheme was in the interest of the Company and its Shareholders and being fair and reasonable and therefore approved the same and accordingly passed the following Resolutions:-

**“RESOLVED THAT**

- a) pursuant to the provisions of Sections 230 to Section 232 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 and the rules, regulations, circulars and notifications issued thereunder (including any statutory modification or re-enactment thereof) to the extent notified and applicable; enabling provisions in the Memorandum and Articles of Association of the Company and subject to the sanction of the shareholders and the National Company Law Tribunal, and subject to such other approvals of any statutory/regulatory authorities, as may be required and subject to such conditions and modifications as may be prescribed or imposed by the National Company Law Tribunal or by any regulatory or other authorities while granting such consent, approvals and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to mean and include one or more Committee(s) constituted by the Board), pursuant to the recommendation of the Audit Committee, approval of the Board of Directors of the Company be and is hereby accorded to the proposed draft Scheme of Amalgamation between Himadri Speciality Chemical Limited (HSCL) and Equal Commodore Private Limited (ECPL), being the wholly owned subsidiary of the Company, and their respective shareholders and creditors in accordance with and on the terms and conditions as stated in the Scheme of Amalgamation (“Scheme”), the draft copy of which is placed before the meeting and initialed by the Chairman for the purpose of identification, which provides for merger of ECPL with HSCL;
- b) The report of the Audit Committee 13<sup>th</sup> August, 2018 recommending the draft Scheme for favorable consideration and approval by the Board be and is hereby accepted and approved;

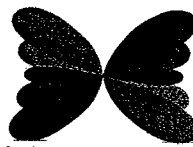
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*R. S. Choudhary*  
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- c) The report explaining the effect of the Scheme on each class of shareholders, key managerial personnel (KMP's), promoter and non-promoter shareholders of the Transferee Company laying out in particular the share exchange ratio be and is hereby accepted and approved;
- d) ECPL being the wholly owned subsidiary of the Company, in terms of the Scheme, the shares held by the Company in ECPL shall stand cancelled upon the Scheme becoming effective;

**RESOLVED FURTHER THAT** the appointed date shall be 1 April 2018.

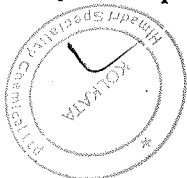
**RESOLVED FURTHER THAT** the Certificate as required from the Statutory Auditors of the company confirming that the accounting treatment outlined in the Scheme is in compliance with the applicable accounting standards notified under the Companies Act, 2013 and other generally accepted accounting principles will be obtained in due course of time, and will be attached with the Application/Petition of Merger to be sent to the shareholders as well as to the regulatory authorities;

**RESOLVED FURTHER THAT** the Finance & Management Committee be and is hereby authorized to take all necessary steps and to do all acts, deeds and things which are deemed necessary for implementation of the merger Scheme and to make necessary coordination with the Statutory Auditors and provide all necessary information for providing the required Auditors' certificate;

**RESOLVED FURTHER THAT** in the opinion of the Board, the draft Scheme will be of advantageous for and beneficial to the Company, its shareholders and other stakeholders and the terms thereof are fair and reasonable;

**RESOLVED FURTHER THAT** the Mr. Bankey Lal Choudhary, Managing Director (DIN: 00173792), and/or Mr. Shyam Sundar Choudhary, Whole time Director (DIN: 00173732) and/or Mr. Anurag Choudhary, CEO and/or Mr. Kamlesh Kumar Agarwal, CFO and/or Mr. Bajrang Lal Sharma, Company Secretary (FCS: 8148) of the Company be and are hereby authorized severally on behalf of the Company to settle all issue with respect to the aforesaid resolutions but not limited:

- a) to make such alterations and changes in the draft Scheme, as may be expedient or necessary for satisfying the conditions/requirements imposed by the National Company Law Tribunal and/or any other statutory/regulatory authorities, as may be required, provided the prior approval of the Board or the Finance and Management Committee, as the case may be, shall be obtained for making any material changes in the said draft Scheme as approved in this meeting;
- b) to finalize and settle the draft Scheme, draft of the notices for convening/dispensing with the meetings of the shareholders and/or creditors of the Company and draft of the explanatory statements under Section 230 to 232 of the Companies Act, 2013 read with rules made thereunder, in terms of directions of the National Company Law Tribunal;
- c) to assent to such alterations, conditions and modifications, if any, in the notices and explanatory statement as may be prescribed or imposed by the National Company Law Tribunal or effect any other modifications or amendments as they may consider necessary or desirable to give effect to the Scheme;
- d) to file the Scheme and any other information/details with the stock exchange(s)/ SEBI/ any other regulatory authorities concerned or any other agency to obtain approval or sanction to any of the provisions of the Scheme or for giving effect thereto;



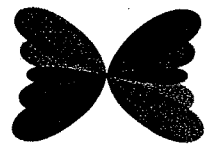
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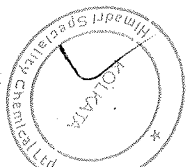
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- e) to sign, modify and file applications to National Company Law Tribunal, seeking directions as to convening/ dispensing with the meeting of the shareholders/creditors of the Company, and where necessary to take steps to convene and hold such meetings as per the directions of National Company Law Tribunal and/or any other statutory/regulatory authorities;
- f) to sign and issue public advertisements and to issue notices to the members or any other class of persons as per directions of the National Company Law Tribunal and/or any other statutory/regulatory authorities;
- g) to make or assent to any alterations or modifications to the Scheme or to any conditions or limitation which the National Company Law Tribunal, may deem fit to approve or impose and may give such directions, as they consider necessary, and to settle any doubt, question or difficulty arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do all such acts, deeds, matters and things for putting the Scheme into effect;
- h) to obtain approval from such other authorities and parties including the shareholders, creditors, lenders, as may be considered necessary to the said Scheme;
- i) to affix the Common Seal of the Company, in accordance with the Articles of Association of the Company, on such documents and as may be necessary in this regard, take all such actions and steps in the above matter, as may be required from time to time to give effect to the above resolution;
- j) to appoint professionals, company secretaries, appoint solicitors, advocates, attorneys, advisors, valuers, auditors, accountants, registrars, or such other persons or agencies, as may be required in relation to do the aforesaid activities in connection with the Scheme, on such terms and conditions including on such fees or remuneration as they may deem fit and issue letter of appointment or vakalatnamas or authority letters in this regard;

**RESOLVED FURTHER THAT** authority and approval of the Board of Directors be and is hereby accorded to the Finance and Management Committee of the Board of Directors to deal with the matters with respect to the proposed merger including but not limited to obtaining of the approval from the shareholders of the Company through the Postal Ballot route or any other means under the applicable laws and take decision in this regard;

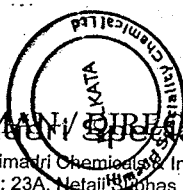
**RESOLVED FURTHER THAT** the Finance & Management Committee be and is hereby authorized to do all such acts and deeds as may be required to make necessary application(s) before the regulatory authorities as may deem fit and proper before the National Company Law Tribunal (NCLT) or any other applicable authority as the case may be, including to do all acts and deeds as mentioned in the aforementioned resolutions, for the necessary consent and approval of the applicable authority pursuant to the applicable provisions of sections 230 to 232 of the Companies Act, 2013 and the rules made thereunder;

**RESOLVED FURTHER THAT** the copies of the foregoing resolutions certified to be true copies of any one of the above mentioned authorized persons to be furnished to all concerned as may be necessary and they be requested to act thereon."



CERTIFIED COPY For Himadri Speciality Chemical Ltd

*R. S. Choudhary*  
 Managing Director  
 DIN: 00173792



Certified True Copy

CHAIRMAN / DIRECTOR / SECRETARY

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Company Secretary

12/9/18