

GILLANDERS ARBUTHNOT AND COMPANY LIMITED
Registered Office: C-4 Gillander House, Netaji Subhas Road, Kolkata – 700001
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COURT CONVENED MEETING OF ORDINARY SHAREHOLDERS
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Day : Thursday
Date : 29th September, 2016
Time : 11-30 A.M.
Venue : Indian Chamber of Commerce, 10th Floor, ICC Towers,
4, India Exchange Place, Kolkata – 700 001.

S. No.	Contents	Page No.
1.	Notice of Court Convened Meeting of the Ordinary Shareholders	2
2.	Statement under Section 393 of the Companies Act, 1956	8
3.	Scheme of Arrangement between Gillanders Arbuthnot And Company Limited and Barfani Builder Limited and their respective Shareholders	18
4.	Copy of the observation letter dated 27 th July, 2016 issued by National Stock Exchange of India Limited	27
5.	Copy of the observation letter dated 27 th July, 2016 issued by BSE Limited	29
6.	Copy of the observation letter dated 5 th August, 2016 issued by The Calcutta Stock Exchange Ltd.	30
7.	Complaints Report dated 27 th June, 2016 submitted by the Company with National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Ltd.	31
8.	Form of Proxy	Enclosed
9.	Attendance Slip	Enclosed

Company Application No.611 of 2016
In the High Court at Calcutta
Original Jurisdiction

In the Matter of :
The Companies Act, 1956.

And

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

And

In the Matter of :
Gillanders Arbuthnot And Company Limited, a
company incorporated under the provisions of the
Companies Act, 1913 and being a Company within
the meaning of the Companies Act, 2013, having its
registered office at C-4, Gillander House, Netaji
Subhas Road, Kolkata 700 001 within the aforesaid
jurisdiction.

And

Barfani Builder Limited, a company incorporated
under the provisions of the Companies Act, 1956
and being a Company within the meaning of the
Companies Act, 2013, having its registered office
at C-4, Gillander House, Netaji Subhas Road,
Kolkata 700 001 within the aforesaid jurisdiction.

1. Gillanders Arbuthnot And Company Limited
2. Barfani Builder Limited

..... Applicants.

NOTICE CONVENING MEETING

**To :
The Ordinary Shareholders
of Gillanders Arbuthnot And Company Limited**

TAKE NOTICE that by an order made on the 22nd day of August, 2016, the Hon'ble High Court at Calcutta has directed that a meeting of the Ordinary Shareholders of Gillanders Arbuthnot And Company Limited, being the Applicant Company No.1 abovenamed (hereinafter referred to as "GACL") be held at Indian Chamber of Commerce, 10th Floor, ICC Towers, 4, India Exchange Place, Kolkata -700 001 on Thursday, the 29th day of September, 2016 at 11.30 A.M. for the purpose of considering, and if thought fit, approving, with or without modification, the Scheme of Arrangement proposed to be made between GACL and Barfani Builder Limited and their respective shareholders.

TAKE FURTHER NOTICE that in pursuance of the said order a meeting of Ordinary Shareholders of GACL will be held accordingly at Indian Chamber of Commerce, 10th Floor, ICC Towers, 4, India Exchange Place, Kolkata-700 001 on Thursday, the 29th day of September, 2016 at 11.30 A.M. to consider, and if thought fit, to pass the following resolution for approval of the Scheme by requisite majority as prescribed under Section 391 of the Companies Act, 1956:-

"Resolved that the Scheme of Arrangement between Gillanders Arbuthnot And Company Limited and Barfani Builder Limited and their respective shareholders presented in Company Application No.611 of 2016 filed jointly by Gillanders Arbuthnot And Company Limited and Barfani Builder Limited before the Hon'ble High Court at Calcutta be and is hereby approved."

TAKE FURTHER NOTICE that you shall have the option of voting on the resolution for approval of the Scheme by casting your votes physically at the venue of the meeting on 29th September, 2016 or electronically from any place other than the venue of the meeting ("e-voting") at any time from 9:30 A.M.

on 26th September, 2016 and till 5:00 P.M. on 28th September, 2016, being the period during which the e-voting will remain open. The business of the meeting shall be transacted accordingly.

Votes may be cast, as aforesaid, at the venue of the meeting by you personally or by proxy provided that in the latter case, a proxy in the prescribed form, duly signed by you, is deposited at the registered office of GACL, not later than 48 (forty eight) hours before the time for holding the meeting. In case of a Body Corporate or Foreign Institutional Investor ("FII"), being an Ordinary Shareholder of GACL, opting to attend and vote at the venue of the meeting, as aforesaid, through its authorised representative, such Body Corporate or FII may do so provided a certified copy of the resolution of its Board of Directors or other governing body authorising such representative to attend and vote at the meeting on its behalf is deposited at the registered office of GACL not later than 48 (forty eight) hours before the time for holding the meeting.

GACL has provided and arranged for the facility for e-voting on the electronic platform of Central Depository Services (India) Limited ("CDSL"). The procedure and instructions for e-voting are given in the notes to this Notice. It is clarified that shareholders casting their votes by e-voting as aforesaid shall also be entitled to attend and participate in the meeting along with the other shareholders but shall not be entitled to vote again at the meeting and if they do so, the votes so cast again by them shall be disregarded and treated as invalid. At the venue of the meeting the votes shall be taken physically by ballot papers. Facility for e-voting shall not be available at the venue of the meeting. Only shareholders who have not cast their votes by e-voting shall be entitled to exercise their voting rights at the meeting.

The Court has appointed Mr. Dwaipayan Basu Mallick, Advocate, 9, K.S. Roy Road, 6th Floor, Kolkata 700 001 and failing him Ms. Suchismita Chatterjee Ghosh, Advocate, Bar Library Club to be the Chairperson of the said meeting of the Ordinary Shareholders of GACL.

A copy each of the said Scheme of Arrangement; the Statement under Section 393 of the Companies Act, 1956; observation letters of stock exchanges; complaints' report; form of Proxy and Attendance Slip are enclosed herewith.

Dated this 31st day of August, 2016.

Sd/- Dwaipayan Basu Mallick
CHAIRPERSON APPOINTED FOR THE MEETING

Drawn by :

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

Settled by :

Sd/-
Sumit Das Sarkar (31/08/2016)
Assistant Registrar (Company),
High Court, O.S. Calcutta.

NOTES:-

1. Only registered Ordinary Shareholders of GACL may attend and vote at the meeting in person or by proxy. A registered Ordinary Shareholder of GACL is entitled to appoint a proxy to attend and vote on his/her behalf and such proxy need not be a member of GACL. In terms of Rule 70 of the Companies (Court) Rules, 1959, an instrument of proxy to be effective, should be duly signed by the person entitled to attend and vote at the aforesaid meeting or by his authorised representative. The instrument of proxy must be deposited with GACL at its Registered Office, not later than 48 (forty eight) hours before the time for holding the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of GACL carrying voting rights. A member holding more than ten percent of the total share capital of GACL and carrying voting rights may appoint a single person as proxy to vote for his entire shareholding and such person shall not act as a

proxy for any other person or shareholder. A form of proxy is attached and can also be obtained free of charge at the Registered Office of GACL.

2. All alterations made in the form of Proxy should be initialled.
3. The authorized representative of a Body Corporate or Foreign Institutional Investor ("FII") which is a registered Ordinary Shareholder of GACL may attend and vote at the meeting, provided a certified copy of the resolution of the Board of Directors or other governing body of such Body Corporate/ FII, authorizing such representative to attend and vote at the meeting on behalf of such body corporate/ FII is deposited at the registered office of GACL not later than 48 (forty eight) hours before the time for holding the meeting.
4. In case of joint holders attending the meeting, only such joint holder whose name appears first in the Register of Members/list of Beneficial Owners of GACL shall be entitled to vote.
5. **E-voting option:** The Ordinary Shareholders shall also have the option of casting their votes electronically from any other place ("e-voting") as stated herein. GACL has provided and arranged for the facility for e-voting accordingly. For facilitating such e-voting, GACL has engaged the services of Central Depository Services (India) Limited ("CDSL"). The instructions for e-voting are given in note 11 below.
6. **E-voting period:** The voting period will commence at 9:30 A.M. on Monday, 26th September, 2016 and end at 5:00 P.M. on Wednesday, 28th September, 2016. The right of voting of the members will be reckoned as of 22nd September, 2016 ("Relevant Date"). A person who is not a member as on the Relevant Date may treat this notice for information purposes only. During the e-voting period, members of GACL holding shares either in physical form or in dematerialized form, as on the relevant date, may cast their vote electronically. The voting system shall be disabled for voting on Wednesday, 28th September, 2016 at 5.00 P.M.
7. At the venue of the meeting the votes shall be taken physically by ballot papers. Facility for e-voting shall not be available at the venue of the meeting. Shareholders who have not cast their votes by e-voting shall be entitled to exercise their voting rights at the meeting. It is however clarified that shareholders who have already cast their votes by e-voting shall also be entitled to attend and participate in the meeting along with the other shareholders but shall not be entitled to vote again at the meeting. The votes cast by e-voting and physically shall be consolidated for determining the result of the voting.
8. Pursuant to and in terms of the said order dated 22nd August, 2016 of the Hon'ble High Court at Calcutta, CS Deepak Kumar Khaitan, Practising Company Secretary (FCS No. 5615) has been appointed as the Scrutinizer for scrutinizing the votes cast electronically and physically by the Ordinary Shareholders of GACL on the resolution for approval of the Scheme. The Scrutinizer shall prepare a consolidated report on his scrutiny of the votes cast electronically and physically and submit the same along with all papers relating to the voting to the Chairperson of the meeting within three days of the conclusion of the meeting.
9. The Chairperson shall declare the results of the meeting after submission of the report of the Scrutinizer to him. The results of the voting shall be reported to the Hon'ble High Court at Calcutta in terms of the order dated 22nd August, 2016 convening the meeting. The declaration of results of the meeting and the report of the Scrutinizer shall also be posted on the website of GACL (www.gillandersarbutnot.com) and CDSL (www.evotingindia.com) and submitted to the Stock Exchanges where the shares of GACL are listed. Further, the declaration of results by the Chairperson shall also be published in The Business Standard and Aajkal newspapers.
10. Advertisement of the Notice convening the meeting will also be published in The Business Standard and Aajkal newspapers.

11. **Instructions for E-voting**

- (a) The shareholders should log on to the e-voting website www.evotingindia.com
- (b) Click on Shareholders.
- (c) Now Enter your User ID which is as follows:-
 - i. For CDSL: 16 digits beneficiary ID,
 - ii. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - iii. Members holding shares in physical form should enter Folio Number registered with GACL.
- (d) Next enter the image verification as displayed and click on Login.
- (e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (f) If you are a first time user follow the steps given below:
 - i. **PAN**: Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).

Members who have not updated their PAN with GACL/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.

In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g.. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
 - ii. **Dividend Bank Details OR Date of Birth (DOB)**: Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in GACL records in order to login.

If both the details are not recorded with the Depository or GACL please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (c) above.
- (g) After entering these details appropriately, click on "SUBMIT" tab.
- (h) Members holding shares in physical form will then directly reach GACL selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that such company opts for e-voting through CDSL platform. It is strongly recommended that you should not share your password with any other person and take utmost care to keep your password confidential.
- (i) For members holding shares in physical form, the details can be used only for e-voting on the instant resolution for approval of the Scheme.
- (j) Click on the EVSN for Gillanders Arbuthnot And Company Limited. The EVSN no is also specified in the Attendance Slip.
- (k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the

option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.

- (l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- (m) After selecting the resolution you have decided to vote on, as aforesaid, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (o) You can also take a print of the votes cast by clicking on "Click here to print" option on the voting page.
- (p) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on 'Forgot Password' & enter the details as prompted by the system.
- (q) Note for Non – Individual Shareholders and Custodians
 - i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ii. A scanned copy of the registration form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - iv. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - v. A scanned copy of the board resolution and power of attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (r) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (s) In case of any grievances in connection with the facility for voting by electronic means, you may also contact Mr. S. Rajagopal (email: mdpldc@yahoo.com; phone number: 9831386538), of Maheshwari Datamatics Private Limited (Unit: Gillanders Arbuthnot and Company Limited), 6, Mangoe Lane (Surendra Mohan Ghosh Sarani), 2nd Floor, Kolkata – 700 001.
- (t) Any person who acquires Ordinary Shares of GACL and becomes a member after despatch of the Notice of the meeting and holds shares as on the Relevant Date of 22nd September, 2016 may obtain the sequence number for e-voting by sending a request to the said Maheshwari Datamatics Private Limited, being GACL's Registrar & Share Transfer Agent at mdpldc@yahoo.com.

Company Application No.611 of 2016
In the High Court at Calcutta
Original Jurisdiction

In the Matter of :
The Companies Act, 1956.
And

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

And

In the Matter of :
1. Gillanders Arbuthnot And Company Limited
2. Barfani Builder Limited

..... Applicants.

NOTICE CONVENING MEETING

Khaitan & Co
Advocates
1B, Old Post Office Street
Kolkata 700 001

Company Application No.611 of 2016
In the High Court at Calcutta
Original Jurisdiction

In the Matter of :
The Companies Act, 1956.

And

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

And

In the Matter of :
Gillanders Arbuthnot And Company Limited, a company incorporated under the provisions of the Companies Act, 1913 and being a Company within the meaning of the Companies Act, 2013, having its registered office at C-4, Gillander House, Netaji Subhas Road, Kolkata 700 001 within the aforesaid jurisdiction.

And

Barfani Builder Limited, a company incorporated under the provisions of the Companies Act, 1956 and being a Company within the meaning of the Companies Act, 2013, having its registered office at C-4, Gillander House, Netaji Subhas Road, Kolkata 700 001 within the aforesaid jurisdiction.

1. Gillanders Arbuthnot And Company Limited

2. Barfani Builder Limited

..... Applicants.

STATEMENT UNDER SECTION 393 OF THE COMPANIES ACT, 1956

1. The accompanying notice has been sent for convening a meeting of the Ordinary Shareholders of Gillanders Arbuthnot And Company Limited, being the Applicant Company No.1 abovenamed (hereinafter referred to as "GACL") for the purpose of considering and if thought fit, approving, with or without modification, the Scheme of Arrangement proposed to be made between GACL and Barfani Builder Limited, being the Applicant Company No.2 abovenamed (hereinafter referred to as "BBL") and their respective shareholders whereby and whereunder it is proposed to reorganise and reconstruct GACL by transferring the Chemical (Waldies) Division of GACL, as specified in the said Scheme of Arrangement, to BBL together with the assets and liabilities of GACL relating to such business [hereinafter also referred to as "the Chemical (Waldies) Division"]. The rest of the assets, business and liabilities shall continue to remain with GACL. The salient features of the Scheme of Arrangement are given in paragraph 4 of this Statement. The detailed terms of the reconstruction will appear from the enclosed draft of the Scheme.

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

A. GACL:

- (a) GACL was incorporated on the 1st day of February, 1935 under the provisions of the Companies Act, 1913 as a Company limited by shares. GACL is a company within the meaning of the Companies Act, 2013.
- (b) The Authorised Share Capital of GACL is Rs.74,00,00,000/- divided into 4,20,00,000 Ordinary Shares of Rs.10/- each and 32,00,000 Preference Shares of Rs.100/- each. The Issued, Subscribed and Paid Up Share Capital of GACL is Rs.23,34,23,460/- divided into 2,13,42,346 Ordinary Shares of Rs.10/- each fully paid up and 2,00,000 8% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up.
- (c) The audited annual financial statements of GACL in accordance with the Companies Act, 2013 for the financial year ended on 31st March, 2015 along with all reports and other documents accompanying the same were laid and adopted at the last Annual General Meeting of GACL held on 3rd September, 2015. GACL, being a listed company, has also since submitted to the Stock Exchanges its standalone and consolidated audited financial results for the quarter and financial year ended on 31st March, 2016 in compliance with and in the form prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") along with the reports of the Auditors thereon. As is clear from the Report of the Auditors, GACL has maintained proper books of account as required by law. GACL has not issued any debentures. The following summary extracted from the said financials as at 31st March, 2016 indicates the financial position of GACL as on the said date as follows:-

Particulars	Rs. in Lakhs
A. Paid up Share Capital	2,334.23
B. Reserves and Surplus	16,752.33
Net Shareholders Fund (A+B)	19,086.56
C. Assets	
Non Current Assets	33,255.70
Current Assets	44,421.67
Total (C)	77,677.37
D. Liabilities	
Non-Current Liabilities	14,911.38
Current Liabilities	43,679.43
Total (D)	58,590.81
Excess of Assets over Liabilities (C – D)	19,086.56

- (d) The fabrication jobs undertaken in the fabrication factory of the Engineering (MICCO) Division of GACL could be outsourced and thereby carried out more cost effectively and efficiently, including at customers' sites. As per the financials as on 31st March, 2016, such fabrications jobs generated a revenue of only Rs.238.27 lakhs constituting 0.30% of the total turnover of GACL and such fabrication factory had total fixed assets of only Rs.113.05 lakhs constituting 0.48% of the total fixed assets of GACL. In view, inter alia, of the aforesaid, GACL has discontinued the operations of the said fabrication factory with effect from 29th May, 2016 and decided to sell the land and building of such factory. Such closure has not materially affected the overall operations of the Engineering Division which are continuing. Subsequent to 31st March 2016, there has been no other substantial change in the financial position of GACL excepting those arising or resulting from the usual course of business. GACL, being a listed Company, has also submitted to the Stock Exchanges its financial results for the quarter ended on 30th June, 2016 in accordance with the LODR Regulations. GACL has been granted an extension of three months to hold its Annual General Meeting for the year 2016 under Section 96 of the Companies Act, 2013. The annual audited financial statements of GACL for the financial year ended 31st March, 2016 along with the reports and other documents required to be furnished therewith in accordance with the Companies Act, 2013 and LODR Regulations will be sent to the shareholders and laid in the Annual General Meeting of GACL to be held accordingly this year. Effect of the instant Scheme on such financial statements from the Appointed Date (1st April, 2015) will be duly incorporated therein, subject to the Scheme being sanctioned, and, if and to the extent required by law.

B. BBL:

- (a) BBL was incorporated on the 2nd day of September, 2013 under the provisions of the Companies Act, 1956 by the name and style of "Barfani Builder Private Limited". BBL has since been converted into a public company with effect from 24th day of February, 2016 the name of BBL was changed to its present one. BBL is a public company within the meaning of the Companies Act, 2013.
- (b) The Authorised Share Capital of BBL is Rs.5,00,000/- divided into 50,000 Equity Shares of Rs.10/- each. The Issued Subscribed and Paid up Share Capital of BBL presently is Rs.5,00,000/- divided into 50,000 Equity Shares of Rs.10/- each. 49,995 Equity Shares of BBL constituting 99.99% of the total Issued, Subscribed and Paid up Share Capital of BBL are held by GACL along with its nominees. Accordingly, BBL is presently a subsidiary of GACL.
- (c) The audited annual financial statements of BBL in accordance with the Companies Act, 2013 for the financial year ended on 31st March, 2015 along with all reports and other documents accompanying the same were laid and adopted at the last Annual General Meeting of BBL held on 30th September, 2015. The financial statements of BBL for the financial year ended on 31st March, 2016 have also since been drawn up and audited. As is clear from the Report of Auditors, BBL has maintained proper books of account as required by law. BBL had neither issued nor agreed to issue any debentures. The following summary extracted from the said financials indicates the financial position of BBL as on 31st March, 2016 as follows:-

Particulars	Rs. in Lakhs
A. Paid up Share Capital	5.00
B. Reserves and Surplus	0.13
Net Shareholders Fund (A+B)	5.13
C. Assets	
Current Assets	5.29
D. Liabilities	
Current Liabilities	0.16
Excess of Assets over Liabilities (C – D)	5.13

- (d) Subsequent to 31st March, 2016, there has been no substantial change in the financial position of BBL excepting those arising or resulting from the usual course of business. BBL is seeking extension of three months to hold its Annual General Meeting for the year 2016 under Section 96 of the Companies Act, 2013. The annual audited financial statements of BBL for the financial year ended 31st March, 2016 along with all reports and other documents required to be furnished therewith in accordance with the Companies Act, 2013 will be sent to the shareholders and laid in the Annual General Meeting of BBL to be held this year accordingly. Effect of the instant Scheme on such financial statements from the Appointed Date (1st April, 2015) will be duly incorporated therein, subject to the Scheme being sanctioned, and, if and to the extent required by law.

3. The circumstances and/or reasons and/or grounds that have necessitated and/or justify the said Scheme of Arrangement are, inter alia, as follows :-

- (a) GACL was engaged in business in six diverse segments as follows:-

SI No.	Division	Gross External Turnover in financial year 2014-2015 (Rs. in Lakhs)	Gross External Turnover in financial year 2015-2016 (Rs. in Lakhs)
1.	Textile Division: Manufacture of cotton and manmade fibre yarn and blends.	39,311.21	34,839.22
2.	Engineering (MICCO) Division: Structural engineering; steel fabrication; execution of turnkey projects and other engineering work.	20,917.83	17,631.56
3.	Tea Division: Plantation and production of tea.	18,982.86	21,757.27
4.	Chemical (Waldies) Division: Manufacture of lead oxide and PVC stabilisers	6,442.37	4,964.27

Sl No.	Division	Gross External Turnover in financial year 2014-2015 (Rs. in Lakhs)	Gross External Turnover in financial year 2015-2016 (Rs. in Lakhs)
5.	Trading Division: Trading in paint and allied products	1,233.77	182.94
6.	Property Division: Holding and letting out real estate.	711.99	778.94
	Total	87,600.03	80,154.20

- (b) GACL has been looking at suitable proposals for restructuring its business and activities and pursuing the same more advantageously. In view, inter alia, of decreasing sales and uncertain prospects in its Trading Division, GACL decided to discontinue the same with effect from 31st March, 2016. GACL has also since for the reasons explained in paragraph 2(d) above discontinued the operations of the fabrication factory of its Engineering (MICCO) Division with effect from 29th May, 2016. As compared to the other manufacturing divisions, the Chemical (Waldies) Division of GACL represents its smallest manufacturing division. There has not been much development in the said business over the years. Induction of an appropriate focussed financial and/or strategic stakeholder in such business is desirable for fostering growth and development in such business and deriving optimum returns therefrom. However any potential investor interested in taking a stake in such chemical business of GACL would not be interested in the other business segments of GACL by reason of the difference and divergence in the nature and financials of such chemical business from the other businesses.
- (c) As part of an overall strategy for restructuring, growth and development, it is considered desirable and expedient to reorganise and reconstruct GACL by transferring the Chemical (Waldies) Division of GACL to BBL in the manner and on the terms and conditions stated in the said Scheme of Arrangement. BBL is presently a subsidiary of GACL with GACL along with its nominees holding 99.99% of the total issued Equity Share Capital of BBL.
- (d) BBL is a public limited company which is duly authorised to undertake the business carried on in the Chemical (Waldies) Division of GACL and does not have any other business interest or plan at present. The Reconstruction will enable suitable separation of the business of the Chemical (Waldies) Division from the other businesses of GACL and result in the creation of a pure play chemical business company viz BBL, capable of independent evaluation and participation therein by any suitable investor interested in such business. The same will enable GACL to give such stake in the said chemical business in BBL to such interested investor as may be considered to be in the best interest of GACL and in consonance with its outlook and plans in its various businesses.
- (e) As such, the Scheme will enable the said chemical business and other businesses of GACL to be carried on more conveniently and advantageously by two separate companies, i.e. BBL and GACL, with independent management set up and greater focus, attention and specialisation. The same will also enable the business considerations and factors peculiar to the respective businesses to be addressed more effectively and adequately by the said companies.
- (f) The Scheme will enable independent and optimum running, growth and development of the said chemical business and other businesses and better realisation of the potential thereof. The Scheme is proposed to the advantage of the said companies and will have beneficial results for the said companies, their shareholders, employees and all concerned.

4. SALIENT FEATURES OF THE SCHEME :-

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

- (a) The Scheme shall be operative from the Appointed Date, i.e. the 1st day of April, 2015.
- (b) "The Act" is defined in the Scheme as follows:-

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

- (c) In terms of Clause 16, the Scheme is conditional upon and subject to:
- Approval of the Scheme by the requisite majorities of the members of GACL and BBL;
 - Approval of the Scheme by the Stock Exchanges where GACL is listed in terms of the Securities and Exchange Board of India Circular dated 30 November 2015 on Schemes of Arrangement; and
 - Sanction of the Scheme by the Hon'ble High Court at Calcutta.

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

- (d) On the approval of the Scheme by the members of GACL and BBL pursuant to Section 391 of the Companies Act, 1956, it shall be deemed that the said members have also accorded all relevant consents under any other provisions of the Companies Act, 1956 and the Companies Act, 2013, including Sections 13 and 62(1)(c) of the Companies Act, 2013, to the extent the same may be considered applicable.
- (e) With effect from the Appointed Date, the Chemical Division of GACL, including all assets, property, rights and powers as well as all debts, liabilities, duties and obligations of GACL relating to the same, shall stand transferred to BBL in the manner and subject to the modalities for transfer and vesting detailed in the Scheme.
- (f) The transfer and vesting of the Chemical Division of GACL, as aforesaid, shall be subject to the existing charges, mortgages and encumbrances, if any, over or in respect of any of the assets of the Chemical Division or any part thereof, provided however that such charges, mortgages and/ or encumbrances shall be confined only to the assets of the Chemical Division or part thereof on or over which they are subsisting on transfer to and vesting of such assets in BBL.
- (g) BBL undertakes to engage all the employees of GACL engaged in the Chemical Division on the Effective Date on the same terms and conditions on which they are engaged by GACL without treating it as a break, discontinuance or interruption of service on the said date as a result of the transfer of the Chemical Division to BBL. Accordingly, the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with GACL. The accumulated balances, if any, standing to the credit of the employees of the Chemical Division in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds of which they are members will be transferred to such Provident Fund, Gratuity Fund, Superannuation Fund and other funds nominated by BBL and/or such new Provident Fund, Gratuity Fund, Superannuation Fund and other funds to be established and caused to be recognised by the concerned authorities by BBL. Pending the transfer as aforesaid, the dues of the employees of the Chemical Division relating to the said funds would be continued to be deposited in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds respectively.
- (h) All proceedings pending by or against GACL and relating to the Chemical Division of GACL and all contracts, deeds, bonds, agreements, engagements and other instruments of whatsoever nature relating to the Chemical Division to which GACL is a party or to the benefit of which GACL may be eligible will be transferred to BBL and will be enforceable by or against BBL.
- (i) With effect from the Appointed Date and up to and including the Effective Date:
- i. GACL shall carry on and be deemed to have carried on all business and activities relating to the Chemical Division for and on account of and in trust for BBL.
 - ii. All profits accruing to GACL (including taxes paid thereon) or losses arising or incurred by it relating to the Chemical Division for the period falling on and after the Appointed Date shall for all purposes, be treated as the profits (including taxes paid) or losses, as the case may be, of BBL.
 - iii. GACL shall be deemed to have held and stood possessed of the properties to be transferred to BBL for and on account of and in trust for BBL and, accordingly, the GACL shall not (without the prior written consent of BBL) alienate, charge or otherwise deal with or dispose of the Chemical Division or any part thereof except in the usual course of business.
- (j) It is clarified that all the taxes and duties payable by GACL, relating to the Chemical Division, from the Appointed Date onwards and up to the Effective Date, including all advance tax payments, tax deducted at source, tax liabilities or any refunds and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of BBL. Accordingly, upon the Scheme becoming effective, GACL is expressly permitted to revise and BBL is expressly permitted to file their respective income tax returns including tax deducted at source certificates, sales tax/ value added tax returns, excise returns, service tax returns and other tax returns, and to claim refunds/ credits, pursuant to the provisions of the Scheme.
- (k) All assets (including fixed assets, current assets, cash and bank balances etcetera) acquired by GACL after the Appointed Date and prior to the Effective Date for operation of the Chemical Division or pertaining to the Chemical Division shall be deemed to have been acquired for and on behalf of BBL.
- (l) All loans raised and/ or used and all liabilities and obligations incurred by GACL for the operations of the Chemical Division after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of BBL. All loans, liabilities and obligations of GACL relating to the Chemical Division which have been discharged by GACL after the Appointed Date and prior to the Effective Date shall be deemed to have been discharged for and on account of BBL.
- (m) Upon the Scheme coming into effect and without further application, act or deed, BBL shall, in consideration of transfer of the Chemical Division, issue and allot to GACL, 1,46,80,000 Equity Shares of Rs.10/- each in BBL credited as fully paid up ("new Equity Shares"). The Scheme will accordingly result in slump exchange between GACL and BBL of ownership of Chemical Division for ownership of such new Equity Shares. Such new Equity Shares issued by BBL shall rank pari passu in all respects with the existing Equity Shares of BBL.
- (n) The new Equity Shares issued to GACL in consideration of the arrangement will be recorded at their aggregate face value in the books of account of BBL. The assets and liabilities of the Chemical Division transferred to BBL in terms of the Scheme shall be recorded in the books of BBL by allocating the consideration to the respective

assets and liabilities based upon values determined by an independent valuer and approved by its Board of Directors.

- (o) The new Equity Shares issued by BBL in slump exchange of the Chemical Division shall be recorded as Investments in the books of account of GACL at their aggregate face value. The excess of the aggregate face value of new Equity Shares over the net book value of the assets and liabilities of the Chemical Division shall be credited to the Profit and Loss Account in the books of account of GACL and which shall be treated as free reserve for all purposes.
- (p) Subject to the aforesaid, the Board of Directors of GACL and BBL shall be entitled to make such corrections and adjustments, as may, in their opinion be required for ensuring consistent accounting policy or which may otherwise be deemed expedient by them in accounting for the reconstruction in the respective books of accounts of the said Companies.
- (q) The business of the Chemical Division is carried on with the established 'Waldies' trade mark and trade name. Consequent to transfer of the Chemical Division to BBL and upon the Scheme becoming effective, the name of BBL shall accordingly be changed to "Waldies Limited" or such other name containing the word "Waldies" as may be approved by the Board of Directors of BBL. BBL shall take necessary steps to give effect to such change of name.
- (r) GACL and BBL (by their respective Board of Directors or Committee thereof or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:
- i. to assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble High Court at Calcutta and/ or any authorities under law may deem fit to approve or direct or which may be considered necessary due to any change in law or as may be deemed expedient or necessary; and
 - ii. to settle all doubts or difficulties that may arise in carrying out the Scheme and to do and execute all acts, deeds, matters and things on behalf of the companies, necessary, desirable or proper for putting the Scheme into effect, including entering into transitional arrangements; arrangements for carrying out or performing all such formalities or compliances as may be deemed proper and necessary for effecting transfer and vesting of the properties of the Chemical Division; and deciding any question that may arise as to whether whole or part of a specific asset or liability pertains or does not pertain or arises out of the activities or operations of the Chemical Division or whether a specific employee is or is not substantially engaged in relation to the Chemical Division.
 - iii. Without prejudice to the generality of the foregoing, GACL and BBL (by their respective Board of Directors or Committee thereof or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from the Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

5. The Board of Directors of GACL and BBL, including the Audit Committee of GACL, have at their respective meetings by resolutions passed unanimously, approved the said Scheme of Arrangement.

6. No compromise or arrangement is proposed with any creditors of GACL and BBL. The aggregate assets of BBL and Chemical Division of GACL are more than sufficient to meet their aggregate liabilities. The remaining assets of GACL are also more than sufficient to meet its remaining liabilities and the said Scheme will not adversely affect the rights of any of the creditors of GACL and BBL in any manner whatsoever and due provisions have been made for payment of all liabilities as and when the same fall due in usual course.

7. There are no proceedings pending under Sections 235 to 251 of the Companies Act, 1956 or Sections 210 to 227 of the Companies Act, 2013 against GACL or BBL.

8. The shareholdings of the Directors and key managerial personnel ("KMP") of GACL and BBL and their relatives are as follows:-

Names of Directors	Ordinary Shares in GACL	Equity Shares in BBL
Directors of GACL		
Shri. Arun Kumar Kothari	1,84,213	Nil
Smt. Prabhawati Devi Kothari (wife of Shri. Arun Kumar Kothari)	67,875	Nil
Shri. Hari Prasad Kanoria	Nil	Nil
Shri. Harishchandra Maneklal Parekh	Nil	Nil
Shri Naresh Pachisia	Nil	Nil
Shri. Dev Kishan Sharda	Nil	Nil
KMPs of GACL		
Shri Pravin Kumar Jain	501	Nil
Shri Dhananjay Karmakar	Nil	Nil
Relatives of Directors and KMPs of GACL		
Relatives of Shri. Arun Kumar Kothari (other than Smt Prabhawati Devi Kothari)	43384	Nil

Names of Directors	Ordinary Shares in GACL	Equity Shares in BBL
Relatives of Smt. Prabhawati Devi Kothari (other than Shri. Arun Kumar Kothari)	43330	Nil
Relatives of Shri. Dev Kishan Sharda	28	Nil
Directors of BBL		
Shri. Bithal Kumar Kothari	27	10(*)
Shri. Niraj Singh	Nil	10(*)
Shri. Shiv Kumar Bagri	4	10(*)
Relatives of Directors of BBL		
Relatives of Shri Shiv Kumar Bagri	408	Nil

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

9. In consideration of transfer of the Chemical (Waldies) Division, BBL shall issue and allot to GACL, 1,46,80,000 Equity Shares of Rs.10/- each in BBL credited as fully paid up in terms of the Scheme. Such consideration has been fixed on a fair and reasonable basis and on the basis of (i) the Report of Messrs. ARSK & Associates, Chartered Accountants on valuation of the Chemical Division and consideration for the Reconstruction and (ii) report of Messrs. N.K. Chakravarty & Company, Chartered Surveyors and Government Registered Valuers, on the market value of the fixed assets of the Chemical Division. The said report of Messrs. N.K. Chakravarty & Company, Chartered Surveyors and Government Registered Valuers has also been taken into account by Messrs. ARSK & Associates, Chartered Accountants in their report on valuation of the Chemical Division and consideration for the Reconstruction. Further, Messrs. Sumedha Fiscal Services Limited, independent Merchant Bankers have by their Fairness Opinion dated 31st March, 2016 also confirmed and concluded that such valuation and consideration is fair and reasonable as under:-

"On the basis of foregoing, in our opinion the valuation of the Chemical (Waldies) Division and the consideration for the arrangement of issuance of 1,46,80,000 Equity Shares of Rs.10/- each of BBL, credited as fully paid up to GACL in terms of the Scheme as recommended by the Valuer is fair and reasonable."

Copy of the aforesaid Report issued by Messrs. N.K. Chakravarty & Company, Chartered Surveyors and Government Registered Valuers; Messrs. ARSK & Associates, Chartered Accountants and Fairness Opinion issued by Messrs. Sumedha Fiscal Services Limited, independent Merchant Bankers are available for inspection as specified in paragraph 12 herein below.

10. BBL is an unlisted Company while GACL is a listed Company. GACL is listed on BSE Limited ("BSE"), the National Stock Exchange of India Limited ("NSE") and The Calcutta Stock Exchange Limited ("CSE"). GACL duly filed the Scheme with the Stock Exchanges for their approval pursuant to the LODR Regulations. Apart from the same, GACL also submitted the Report of its Audit Committee on the Scheme; Auditors' certificate of non-applicability of paragraph I.A.9(a) of the SEBI Circular dated 30th November, 2015; and various other documents to the stock exchanges and also displayed the same on its website in terms of the said SEBI Circular dated 30th November, 2015 and addressed all queries on the said documents. The Complaints Report required to be filed in terms of the said circular was also duly filed by GACL. BSE and NSE by their respective letters dated 27th July, 2016 and CSE by its letter dated 5th August, 2016 have since confirmed that they have 'no adverse observation' on the Scheme pursuant to the said SEBI circular.

11. The pre/post-arrangement capital structure and shareholding pattern of GACL and BBL is given below.

A. Pre-Arrangement shareholding pattern of GACL (based on data available as on 29 July 2016):

	Category of Shareholders	Number of Shareholders	Total Number of Ordinary shares of `10/- each	Total shareholding as a percentage of total number of shares
(A)	Shareholding of Promoter & Promoter group			
(1)	Indian			
(a)	Individuals/Hindu undivided Family	4	295394	1.3841
(b)	Central Government/State Government(s)	-	-	-
(c)	Financial Institutions/Banks	-	-	-
(d)	Any Other (specify):	-	-	-
	Bodies Corporate	9	14376321	67.3605
	Sub-Total (A)(1)	13	14671715	68.7446
(2)	Foreign			
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	-	-	-

(b)	Government	-	-	-
(c)	Institutions	-	-	-
(d)	Foreign Portfolio Investor	-	-	-
(e)	Any Other (specify)	-	-	-
	Sub-Total (A)(2)	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	13	14671715	68.7446
(B)	Public Shareholding			
(1)	Institutions			
(a)	Mutual Funds	1	300	0.0014
(b)	Venture Capital Funds	-	-	-
(c)	Alternate Investment Funds	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-
(e)	Foreign Portfolio Investors	-	-	-
(f)	Financial Institutions / Banks	30	68980	0.3232
(g)	Insurance Companies	1	1187278	5.5630
(h)	Provident Funds / Pension Funds	-	-	-
(i)	Any Other (specify)	-	-	-
	Sub Total (B)(1)	32	1256558	5.8876
(2)	Central Government / State Government(s) / President of India	1	7086	0.0332
	Sub Total (B)(2)	1	7086	0.0332
(3)	Non-Institutions			
(a)	Individuals –			
	i. individual shareholders holding nominal share capital up to Rs.2 lakhs.	15128	3613022	16.9289
	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	20	792738	3.7144
(b)	NBFCs registered with RBI	1	3533	0.0166
(c)	Employee Trusts	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-
(e)	Any Other (specify)			
	Bodies Corporate	264	765768	3.5880
	Clearing Member	103	101041	0.4734
	Non Resident Individual	141	127062	0.5954
	Trusts	3	3823	0.0179
	Sub Total (B)(3)	15660	5406987	25.3346
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	15693	6670631	31.2554
(C)				
(1)	Custodian / DR Holder	-	-	-
(a)	Name of DR Holder (if available)	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-
	Total Non Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	0	0	0
	TOTAL (A) + (B) + (C)	15706	21342346	100

B. Post-arrangement shareholding pattern of GACL:

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

C. **Pre and Post Arrangement shareholding pattern of BBL:**

	Category of Shareholders	Pre-Arrangement			Post-Arrangement (expected)		
		Number of Shareholders	Total Number of Equity shares of `10/- each	Total shareholding as a percentage of total number of shares	Number of Shareholders	Total Number of Equity shares of `10/- each	Total shareholding as a percentage of total number of shares
(A)	Shareholding of Promoter & Promoter group						
(1)	Indian						
(a)	Individuals/Hindu undivided Family	5	50	0.1	5	50	0.0003
(b)	Central Government/State Government(s)	-	-	-	-	-	-
(c)	Financial Institutions/Banks	-	-	-	-	-	-
(d)	Any Other (specify):	-	-	-	-	-	-
	Bodies Corporate	1	49,945	99.89	1	1,47,29,945	99.9997
	Sub-Total (A)(1)	6	49,995	99.99	6	1,47,29,995	100.0000
(2)	Foreign						
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	6	49,995	99.99	6	1,47,29,995	100.0000
(B)	Public Shareholding						
(1)	Institutions	-	-	-	-	-	-
(a)	Mutual Funds	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-
(f)	Financial Institutions / Banks	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-
(h)	Provident Funds / Pension Funds	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-
	Sub Total (B)(1)	-	-	-	-	-	-
(2)	Central Government / State Government(s) / President of India	-	-	-	-	-	-
	Sub Total (B)(2)	-	-	-	-	-	-
(3)	Non-Institutions						
(a)	Individuals –						
	i. individual shareholders holding nominal share capital up to Rs.2 lakhs.	1	5	0.01	1	5	0.0000
	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-

(c)	Employee Trusts	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-
	Sub Total (B)(3)	1	5	0.01	1	5	0.0000
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	1	5	0.01	1	5	0.0000
(C) Shareholding of Non Promoter - Non Public shareholder							
(1)	Custodian / DR Holder	-	-	-	-	-	-
(a)	Name of DR Holder (if available)	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-
	Total Non Promoter - Non Public Shareholding (C)=(C)(1)+(C)(2)	-	-	-	-	-	-
	TOTAL (A) + (B) + (C)	7	50,000	100	7	1,47,30,000	100

D. Pre and Post Capital Structure of GACL and BBL:

The pre-Arrangement capital structure of GACL and BBL is given in clause 2 of the Scheme. There will be no change in the capital structure of GACL consequent to the Scheme while the Authorised Share Capital of BBL will increase to Rs.15,00,00,000/- divided into 1,50,00,000 Equity Shares of Rs.10/- each consequent to and in terms of Clause 10 of the Scheme. Further, BBL will issue new 1,46,80,000 Equity Shares of Rs.10/- each in BBL credited as fully paid up to GACL in consideration of the Scheme and its Issued, Subscribed and Paid up Share Capital shall increase accordingly to Rs.14,73,00,000/- divided into 1,47,30,000 Equity shares of Rs.10/- each fully paid up as above.

12. Copies of the following documents are open for inspection at the registered office of GACL on any working day between 11.00 A.M. and 1.00 P.M till 28th September, 2016,;

- Memoranda and Articles of Association of GACL and BBL;
- Financial statements and financial results of GACL for the financial years ended on 31st March, 2015 and 31st March, 2016 respectively as referred to in paragraphs 2.A(c) and financial results of GACL for the quarter ended 30th June, 2016 referred to in paragraph 2.A.(d) above;
- Financial statements of BBL for the financial years ended on 31st March, 2015 and 31st March, 2016 respectively as referred to in paragraphs 2.B(c) above;
- Register of Directors' Shareholdings of GACL and BBL;
- Report of Messrs. N.K. Chakravarty & Company, Chartered Surveyors and Government Registered Valuers; Report of Messrs. ARSK & Associates, Chartered Accountants; and Fairness Opinion issued by Messrs. Sumedha Fiscal Services Limited, independent Merchant Bankers as referred to in paragraph 9 above;
- Other documents submitted by GACL to the Stock Exchanges and also displayed on the Company's website in terms of the SEBI Circular dated 30th November, 2015, including Report of the Audit Committee of GACL; and
- Order dated 22nd August, 2016 of the Hon'ble High Court at Calcutta.

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

Settled by:
Sd/-
Sumit Das Sarkar (31/08/2016)
Assistant Registrar (Company,
High Court, O.S., Calcutta

Company Application No.611 of 2016
In the High Court at Calcutta
Original Jurisdiction

In the Matter of :
The Companies Act, 1956.

And

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

And

In the Matter of :
1. Gillanders Arbuthnot And Company Limited
2. Barfani Builder Limited

..... Applicants

**STATEMENT UNDER SECTION 393 OF THE COMPANIES
ACT, 1956**

Khaitan & Co

Advocates

1B, Old Post Office Street
Kolkata 700 001

**SCHEME OF ARRANGEMENT
BETWEEN
GILLANDERS ARBUTHNOT AND COMPANY LIMITED
AND
BARFANI BUILDER LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS**

FOR

**RECONSTRUCTION BY TRANSFER OF CHEMICAL (WALDIES) DIVISION
OF GILLANDERS ARBUTHNOT AND COMPANY LIMITED TO BARFANI BUILDER LIMITED**

PART – I

(Preliminary)

1. Definitions:

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

- i. **"Act"** means the Companies Act, 1956 or the Companies Act, 2013 as in force from time to time. As on the date of approval of this Scheme by the Boards of Directors of GACL and BBL, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956, unless stated otherwise. Upon such provisions of the Companies Act, 1956 standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted.
- ii. **"GACL"** means Gillanders Arbuthnot And Company Limited, a Company incorporated under the provisions of the Companies Act, 1913 and being a Company within the meaning of the Companies Act, 2013 having its registered office at C-4, Gillander House, Netaji Subhas Road, Kolkata 700 001 in the State of West Bengal.
- iii. **"BBL"** means Barfani Builder Limited, a company incorporated under the provisions of the Companies Act, 1956 and being a Company within the meaning of the Companies Act, 2013, having its registered office at C-4, Gillander House, Netaji Subhas Road, Kolkata 700 001 in the State of West Bengal.
- iv. **"Appointed Date"** means the 1st day of April, 2015.
- v. **"Chemical Division"** means the Chemical (Waldies) Division of GACL engaged in the business of manufacture of Lead Oxides and Polyvinyl Chloride (PVC) Stabilisers as a going concern and shall include all property, rights and powers and all debts, liabilities, duties and obligations of GACL comprised in and/ or relating to the Chemical Division, including:
 - (a) all properties and assets, moveable and immoveable, freehold and leasehold, real and personal, tangible and intangible, corporeal and incorporeal, in possession, or in reversion, present and contingent of whatsoever nature, wheresoever situated, as on the Appointed Date relating to the Chemical Division, including factory land at Konnagar in the State of West Bengal and all factory sheds and other structures, thereon, all other lands and buildings, leases, tenancies and agencies of GACL relating to the Chemical Division, plant and machineries, electrical installations, vehicles, equipments, furniture, sundry debtors, inventories, other current assets, cash and bank balances, bills of exchange, deposits, loans and advances and other assets as appearing in the books of account of GACL in relation to the Chemical Division;
 - (b) all other interests or rights in or arising out of or relating to the Chemical Division together with all respective powers, interests, charges, privileges, benefits, entitlements, industrial and other registrations, licenses, quotas, brands and trademarks, patents, copyrights, other intellectual property rights, liberties, easements and advantages, subsidies, grants, taxes, tax credits/ incentives (including but not limited to credits/ incentives in respect of income tax, sales tax,

value added tax, turnover tax, excise duty, service tax etcetera), and other benefits appertaining to the Chemical Division and/or to which GACL is entitled to in respect of the Chemical Division of whatsoever kind, nature or description held, applied for or as may be obtained thereafter together with the benefit of all respective contracts and engagements relating to the Chemical Division;

- (c) all debts, liabilities, duties and obligations of GACL in relation to the Chemical Division, including liabilities on account of loans, sundry creditors, sales-tax, bonus, gratuity and other taxation and contingent liabilities of GACL relating to the Chemical Division;
 - (d) all employees of GACL engaged in or in relation to the Chemical Division, on the date immediately preceding the Effective Date; and
 - (e) all books, records, files, papers, computer software along with their licenses, manuals and backup copies, drawings, data catalogues, and other data and records, whether in physical or electronic form, directly or indirectly in connection with or relating to the Chemical Division.
- vi. **"Remaining Business"** means all the business of GACL other than the Chemical Division and all property, rights and powers and all debts, liabilities, duties and obligations of GACL not comprised in and/ or relating to the Chemical Division. Without prejudice to the generality of the foregoing, the same shall include the Tea Division, Engineering (MICCO) Division, Textile Division, Trading Division and Property Division of GACL; corporate office at Kolkata; and all investments in shares and securities in other bodies corporate.
- vii. **"Effective Date"** means the date or last of the dates on which all the approvals and sanction are obtained in terms of clause 16 of this Scheme and certified copies of the order of the Hon'ble High Court at Calcutta sanctioning this Scheme are filed with the Registrar of Companies.
- viii. **"Scheme"** means this Scheme of Arrangement under Sections 391 to 394 of the Act in the present form or with such modification(s) as sanctioned by the Hon'ble High Court at Calcutta.
- ix. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.

2. **Share Capital:**

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

i. **GACL:**

<u>Authorised Share Capital:</u>	<u>(Rs. in Lakhs)</u>
4,20,00,000 Ordinary Shares of Rs.10/- each	4,200.00
32,00,000 Preference Shares of Rs.100/- each	3,200.00

	7,400.00

<u>Issued, Subscribed and Paid up Share Capital</u>	
2,13,42,346 Ordinary Shares of Rs.10/- each fully paid up	2,134.23
2,00,000 8% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	200.00

	2,334.23

ii. BBL:

Authorised Share Capital: (Rs. in Lakhs)
50,000 Equity Shares of Rs.10/- each 5.00

Issued, Subscribed and paid up Share Capital

50,000 Equity Shares of Rs.10/- each fully paid up 5.00

3. Objects and Reasons:

- i. As on 31st March, 2015, GACL was engaged in business in six diverse segments as follows:-

Sl No.	Division	Gross External Turnover in the financial year 2014-2015 (Rs. in Lakhs)
1.	Textile Division: Manufacture of cotton and manmade fibre yarn and blends.	39,311.21
2.	Engineering (MICCO) Division: Structural engineering; steel fabrication; execution of turn key projects and other engineering work.	20,917.83
3.	Tea Division: Plantation and production of tea.	18,982.86
4.	Chemical (Waldies) Division: Manufacture of lead oxide and PVC stabilisers	6,442.37
5.	Trading Division: Trading in paint and allied products	1,233.77
6.	Property Division: Holding and letting out real estate.	711.99
	Total	87,600.03

- ii. GACL has been looking at suitable proposals for restructuring its business and activities and pursuing the same more advantageously. In view, inter alia, of decreasing sales and uncertain prospects in its Trading Division, GACL decided to discontinue the same with effect from 31st March 2016. Further, as compared to the other manufacturing divisions, the Chemical Division of GACL represents its smallest manufacturing division. There has not been much development in the said business over the years. Induction of an appropriate focussed financial and/or strategic stakeholder in such business is desirable for fostering growth and development in such business and deriving optimum returns therefrom. However any potential investor interested in taking a stake in such chemical business of GACL would not be interested in the other business segments of GACL by reason of the difference and divergence in the nature and financials of such chemical business from the other businesses.

- iii. As part of an overall strategy for restructuring, growth and development, it is considered desirable and expedient to reorganise and reconstruct GACL by transferring the Chemical Division of GACL to BBL in the manner and on the terms and conditions stated in this Scheme of Arrangement. BBL is presently a subsidiary of GACL with GACL along with its nominees holding 99.99% of the total issued Equity Share Capital of BBL.
- iv. BBL is a public limited company which is duly authorised to undertake the business carried on in the Chemical Division of GACL and does not have any other business interest or plan at present. The Reconstruction will enable suitable separation of the business of the Chemical Division from the other businesses of GACL and result in the creation of a pure play chemical business company viz BBL, capable of independent evaluation and participation therein by any suitable investor interested in such business. The same will enable GACL to give such stake in the said chemical business in BBL to such interested investor as may be considered to be in the best interest of GACL and in consonance with its outlook and plans in its various businesses.
- v. As such, the Scheme will enable the said chemical business and other businesses of GACL to be carried on more conveniently and advantageously by two separate companies, i.e. BBL and GACL, with independent management set up and greater focus, attention and specialisation. The same will also enable the business considerations and factors peculiar to the respective businesses to be addressed more effectively and adequately by the said companies.
- vi. The Scheme will enable independent and optimum running, growth and development of the said chemical business and other businesses and better realisation of the potential thereof. The Scheme is proposed to the advantage of the said companies and will have beneficial results for the said companies, their shareholders, employees and all concerned.

PART – II

(Transfer of Chemical Division of GACL to BBL)

4. Transfer of Chemical Division of GACL:

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

permissions, approvals, consents, registrations, eligibility certificates, fiscal incentives and no-objection certificates and to carry on and continue the operations of the Chemical Division on the basis of the same upon this Scheme becoming effective. Further, all benefits, including, under Income Tax, Excise (including Modvat/Cenvat), Sales Tax etc to which GACL is entitled in relation to the Chemical Division in terms of the various Statutes and / or Schemes of Union and State Governments shall be available to and vest in BBL upon this Scheme becoming effective.

4.5 A Statement of Assets and Liabilities of the Chemical Division as appearing from the books of account of GACL as on 31st March, 2015 is set out in Schedule I hereto.

5. Legal Proceedings:

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

6. Contracts and Deeds:

All contracts, deeds, bonds, agreements, engagements and other instruments of whatsoever nature relating to the Chemical Division to which GACL is a party or to the benefit of which GACL may be eligible, and which have not lapsed and are subsisting on the Effective Date shall remain in full force and effect against or in favour of BBL as the case may be, and may be enforced by or against BBL as fully and effectually as if, instead of GACL, BBL had been a party thereto.

7. Saving of Concluded Transactions:

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

8. Employees:

On and from the Effective Date:

8.1 BBL undertakes to engage all the employees of GACL engaged in the Chemical Division on the Effective Date on the same terms and conditions on which they are engaged by GACL without treating it as a break, discontinuance or interruption of service on the said date as a result of the transfer of the Chemical Division to BBL.

8.2 Accordingly, the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes, including for the purpose of payment of any retrenchment compensation and other terminal benefits, will be reckoned from the date of their respective appointments with GACL.

8.3 The accumulated balances, if any, standing to the credit of the employees of the Chemical Division in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds of which they are members will be transferred to such Provident Fund, Gratuity Fund, Superannuation Fund and other funds nominated by BBL and/or such new Provident Fund, Gratuity Fund, Superannuation Fund and other funds to be established and caused to be recognised by the concerned authorities by BBL. Pending the transfer as aforesaid, the dues of the employees of the Chemical Division relating to the said funds would be continued to be deposited in the existing Provident Fund, Gratuity Fund, Superannuation Fund and other funds respectively.

9. Conduct of business of Chemical Division in trust for BBL:

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

- i. GACL shall carry on and be deemed to have carried on all business and activities relating to the Chemical Division for and on account of and in trust for BBL.
 - ii. All profits accruing to GACL (including taxes paid thereon) or losses arising or incurred by it relating to the Chemical Division for the period falling on and after the Appointed Date shall for all purposes, be treated as the profits (including taxes paid) or losses, as the case may be, of BBL.
 - iii. GACL shall be deemed to have held and stood possessed of the properties to be transferred to BBL for and on account of and in trust for BBL and, accordingly, the GACL shall not (without the prior written consent of BBL) alienate, charge or otherwise deal with or dispose of the Chemical Division or any part thereof except in the usual course of business.
- 9.2 It is clarified that all the taxes and duties payable by GACL, relating to the Chemical Division, from the Appointed Date onwards and up to the Effective Date, including all advance tax payments, tax deducted at source, tax liabilities or any refunds and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source, tax liabilities or refunds and claims of BBL. Accordingly, upon the Scheme becoming effective, GACL is expressly permitted to revise and BBL is expressly permitted to file their respective income tax returns including tax deducted at source certificates, sales tax/ value added tax returns, excise returns, service tax returns and other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme.
- 9.3 All assets (including fixed assets, current assets, cash and bank balances etcetera) acquired by GACL after the Appointed Date and prior to the Effective Date for operation of the Chemical Division or pertaining to the Chemical Division shall be deemed to have been acquired for and on behalf of BBL.
- 9.4 All loans raised and/ or used and all liabilities and obligations incurred by GACL for the operations of the Chemical Division after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of BBL.
- 9.5 All loans, liabilities and obligations of GACL relating to the Chemical Division which have been discharged by GACL after the Appointed Date and prior to the Effective Date shall be deemed to have been discharged for and on account of BBL.

10. Consideration | Issue of Shares:

Upon the Scheme coming into effect and without further application, act or deed, BBL shall, in consideration of transfer of the Chemical Division, issue and allot to GACL, 1,46,80,000 Equity Shares of Rs.10/- each in BBL credited as fully paid up ("new Equity Shares"). This Scheme will accordingly result in slump exchange between GACL and BBL of ownership of Chemical Division for ownership of such new Equity Shares. Such new Equity Shares issued by BBL shall rank pari passu in all respects with the existing Equity Shares of BBL.

11. Accounting:

11.1 In books of BBL:

The new Equity Shares issued to GACL in consideration of the arrangement will be recorded at their aggregate face value in the books of account of BBL. The assets and liabilities of the Chemical Division transferred to BBL in terms of this Scheme shall be recorded in the books of BBL by allocating the consideration to the respective assets and liabilities based upon values determined by an independent valuer and approved by its Board of Directors.

11.2 In books of GACL:

The new Equity Shares issued by BBL in slump exchange of the Chemical Division shall be recorded as Investments in the books of account of GACL at their aggregate face value. The excess of the aggregate face value of new Equity Shares over the net book value of the assets and liabilities of

the Chemical Division shall be credited to the Profit and Loss Account in the books of account of GACL and which shall be treated as free reserve for all purposes.

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

12. Change of Name:

The business of the Chemical Division is carried on with the established 'Waldies' trade mark and trade name. Consequent to transfer of the Chemical Division to BBL and upon the Scheme becoming effective, the name of BBL shall accordingly be changed to "Waldies Limited" or such other name containing the word "Waldies" as may be approved by the Board of Directors of BBL. BBL shall take necessary steps to give effect to such change of name.

13. Remaining Business:

Save and except the Chemical Division of GACL and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall affect the Remaining Business of GACL which shall continue to belong to and be vested in and be managed by GACL.

PART – III

(General/ Miscellaneous Provisions)

14. Applications:

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

15. Modification and Implementation:

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

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

Without prejudice to the generality of the foregoing, GACL and BBL (by their respective Board of Directors or Committee thereof or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from this Scheme in case any

condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

16. Scheme Conditional Upon:

The Scheme is conditional upon and subject to:

- 16.1 Approval of the Scheme by the requisite majorities of the members of GACL and BBL;
- 16.2 Approval of the Scheme by the Stock Exchanges where GACL is listed in terms of the Securities and Exchange Board of India Circular dated 30 November 2015 on Schemes of Arrangement; and
- 16.3 Sanction of the Scheme by the Hon'ble High Court at Calcutta.

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

17. Costs, Charges and Expenses:

All costs, charges and expenses, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto upto the Effective Date, including liability for stamp duty on the order sanctioning the Scheme, shall be borne and paid by BBL. Subsequent to the Effective Date or in the event the Scheme does not take effect or stands withdrawn for any reason whatsoever, each Company shall pay and bear their own costs.

18. Residual Provisions:

- 18.1 Save as provided in Clause 10 above, BBL shall not at any time during the period commencing from the date of approval of this Scheme by the Boards of Directors of the said Companies and ending with the Effective Date make any change in its capital structure either by way of increase (by issue of equity shares on a rights or preferential allotment basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner except by mutual consent of the respective Boards of Directors of GACL and BBL.
- 18.2 On the approval of the Scheme by the members of GACL and BBL pursuant to Section 391 of the Companies Act, 1956, it shall be deemed that the said members have also accorded all relevant consents under any other provisions of the Companies Act, 1956 and the Companies Act, 2013, including Sections 13 and 62(1)(c) of the Companies Act, 2013, to the extent the same may be considered applicable.

Schedule I

Statement of Assets and Liabilities of Chemical Division as on March 31, 2015

Particulars	Rs. in Lakhs	Rs. in Lakhs
<u>Non – Current Assets</u>		
Fixed Assets	36.08	
Capital Work in Progress	-	
Long term Loans & Advances	20.06	
Other Non - Current Assets	1.57	
Investments	-	
		57.71
<u>Current Assets</u>		
Inventories	535.95	
Trade Receivables	625.13	
Cash and Bank Balances	72.16	
Short Term Loans & Advances	63.24	
Other Current Assets	3.71	
		1300.19
Total Assets (A)		1,357.90
<u>Current Liabilities & Short Term Provisions</u>		
Short term Borrowings	210.93	
Trade Payables	188.97	
Other Current Liabilities	125.30	
Short term Provisions	93.36	
		618.56
<u>Non-Current Liabilities</u>		
Long Term Borrowings	-	
Long Term Provisions	-	
Deferred Tax Liabilities	-	
		-
Total Liabilities (B)		618.56
Net Assets (A – B)		739.34

Ref: NSE/LIST/81532

July 27, 2016

The Company Secretary
Gillanders Arbuthnot & Co. Ltd.
C-4, Gillander House,
Netaji Subhas Road,
Kolkata - 700001

Kind Attn.: Mr. Dhananjoy Karmakar

Dear Sir,

Sub: Observation letter for draft Scheme of Arrangement between Gillanders Arbuthnot and Company Limited and Barfani Builder Limited and their respective shareholders for reconstruction by transfer of chemical (waldies) division of Gillanders Arbuthnot and Company Limited to Barfani Builder Limited.

This has reference to draft Scheme of Arrangement between Gillanders Arbuthnot and Company Limited and Barfani Builder Limited and their respective shareholders submitted to NSE vide your letter dated May 26, 2016.

Based on our letter reference no Ref: NSE/LIST/78121 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated July 25, 2016, has given following comments on the draft Scheme of Arrangement:

"a. The company shall ensure that additional information, if any, submitted by the company, after filing the scheme with the stock exchange, is displayed from the date of receipt of this letter on the websites of the listed company.

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

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No-objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with the Hon'ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from July 27, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:



- a) Copy of Scheme as approved by the High Court;
- b) Result of voting by shareholders for approving the Scheme;
- c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- d) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable;
- e) Status of compliance with the Observation Letter/s of the stock exchanges; and
- f) Complaints Report as per SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Limited

Kautuk Upadhyay
Manager

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

July 27, 2016

The Company Secretary
GILLANDERS ARBUTHNOT & CO.LTD
C-4, Gillander House, Netaji Subhas Road,
4th Floor, Kolkata,
West Bengal, 700001.



Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Arrangement involving Gillanders Arbuthnot & Company Limited and Barfani Builder Limited.

We are in receipt of Draft Scheme of Arrangement involving Gillanders Arbuthnot & Company Limited (GACL) and Barfani Builder Limited (BBL) filed as required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated July 25, 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

The Calcutta Stock Exchange Ltd.

7, Lyons Range, Kolkata - 700 001

Phone : +91 33 4025 3000, Fax : +91 33 4025 3030 / 3017

Ref.No. CSE/LD/12982/2016 Website: www.cse-india.com, E-mail : cseadm@sebi-india.com CIN: U67120WB1923PLC004707 5th August, 2016.

The Company Secretary
Gillanders Arbuthnot & Co. Ltd.
C-4, Gillander House, Netaji Subhas Road,
4th Floor,
Kolkata-700 001.

Dear Sir,

Sub: Observation letter for draft Scheme of Arrangement involving Gillanders Arbuthnot & Company Ltd. and Barfani Builder Ltd.

We are in receipt of the draft Scheme of Amalgamation / Arrangement of involving Gillanders Arbuthnot & Company Ltd. (GACL) and Barfani Builder Ltd. (BBL).

As required under SEBI Circular. No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI has vide its letter dated August 5, 2016 has inter alia given the following comments(s) on the draft scheme of arrangement:

- The Company shall ensure that additional information, if any submitted by the Company, after filing the scheme with the Stock Exchange, is displayed from the date of receipt of this letter on the website of the Company.
- The 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:

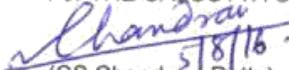
1. Copy of the High Court approved Scheme.
2. Result of voting by shareholders for approving the Scheme;
3. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme,
4. Copy of the observation letter issued by all the Stock Exchanges where company is listed.
5. Status of compliance with the Observation Letter/s of the stock exchanges;
6. The application seeking exemption from Rule 19(2)(b) if SCRR, 1957, wherever applicable; and
7. Complaints Report as per Annexure II of this Circular.
8. 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,

For THE CALCUTTA STOCK EXCHANGE LTD.


(CS Chandran Datta)
Executive-Listing


05/8/16

GACL/CS/SC/SE/CR/44/Gen/16-17

27th June, 2016

National Stock Exchange of India Ltd.,
Listing Department
Exchange Plaza,
Bandra Kurla Complex
Bandra (East)
MUMBAI – 400 051.

The Secretary,
The Calcutta Stock Exchange Ltd.,
7, Lyons Range,
KOLKATA – 700 001.

BSE Limited,
Floor 25, P J Towers,
Dalal Street,
MUMBAI – 400 001.

Dear Sirs,

Sub: Complaints Report – Application for grant of approval to the Scheme of Arrangement under Regulation 37 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

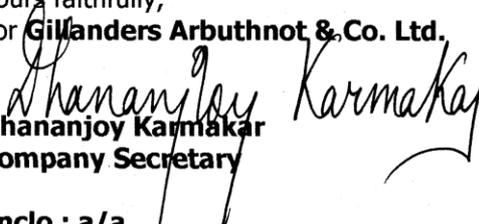
With reference to our application dated 26th May, 2016 on the above matter and in compliance with Para 1(A)(6) of SEBI Circular No CIR/CFD/CMD/16/2015 dated 30th November, 2015 enclosed please find the Complaints Report stating the details of complaints/comments received by the Company on the Scheme of Arrangement as per the format prescribed. The said report is marked as Annexure – 'A'.

Further, as required vide the above circular, the said Complaint Report will be uploaded on our website www.gillandersarbuthnot.com.

We would request you to kindly take the same on record and grant approval under Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 for the proposed Scheme of Arrangement.

Thanking you,

Yours faithfully,
For **Gillanders Arbuthnot & Co. Ltd.**


Dhananjay Karmakar
Company Secretary

Encl : a/a



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)	Not Applicable
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1.	Not Applicable		
2.			
3.			

For **Gillanders Arbuthnot & Co. Ltd.**

Dhananjay Karmakar
Dhananjay Karmakar
Company Secretary

Company Application No.611 of 2016
In the High Court at Calcutta
Original Jurisdiction

In the Matter of the Companies Act, 1956;
And
In the Matter of an application under Sections 391(1) and 393 of the said Act;
And
In the Matter of
1. Gillanders Arbuthnot And Company Limited
2. Barfani Builder Limited
... .. Applicants.

PROXY

I/ We (*) the undersigned Ordinary Shareholders of Gillanders Arbuthnot And Company Limited do hereby nominate and appoint

1. Name:
Address :
Email ID:
Signature: or failing him
2. Name:
Address :
Email ID:
Signature: or failing him
3. Name:
Address :
Email ID:
Signature:

as my/our PROXY to act for me/us at the meeting of the Ordinary Shareholders of Gillanders Arbuthnot And Company Limited to be held **at** Indian Chamber of Commerce, 10th Floor, ICC Towers, 4, India Exchange Place, Kolkata -700 001 on **Thursday, the 29th day of September, 2016 at 11:30 A.M.** for the purpose of considering and if thought fit, approving with or without modification, the proposed Scheme of Arrangement between Gillanders Arbuthnot And Company Limited and Barfani Builder Limited and their respective shareholders and at such meeting or any adjournment thereof to vote for me/us and in my/our name _____ [*here, 'if for', insert 'for'; 'if against', insert 'against' and in the latter case, strike out the words below after 'Scheme of Arrangement'*] the said Scheme of Arrangement either with or without modification as my/our proxy may approve.

Dated this.....day of....., 2016.



Name:.....

Address:

Ledger Folio No or DP ID/Client ID No:

Signature:

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

GILLANDERS ARBUTHNOT AND COMPANY LIMITED
Registered Office – C-4, Gillander House Netaji Subhas Road, Kolkata – 700 001
CIN: L51909WB1935PLC008194
Phone : +91-33 2230-2331 (6 Lines), 2242-1940 (3 Lines), 3022-4470 (4 Lines), Fax :
+91-33-2230-4185
Website : www.gillandersarbuthnot.com; E-mail : gillander@gillandersarbuthnot.com

ATTENDANCE SLIP
(To be presented at the entrance)

Court Convened Meeting – Thursday, the 29th September, 2016

Serial No:

Regd. Folio No. / DP ID & Client ID:	
Name and Address of the Shareholder:	
Joint Holder(s)	
Number of Ordinary Shares held	

I/We hereby record my/our presence at the Court Convened Meeting of the Ordinary Shareholders of Gillanders Arbuthnot And Company Limited to be held on **Thursday, the 29th day of September, 2016 at 11-30 A.M. at** Indian Chamber of Commerce, 10th Floor, ICC Towers, 4, India Exchange Place, Kolkata- 700 001.

Full Name of the Ordinary Shareholder (in Block Letters)	Signature
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Full Name of the Proxy/Authorised Representative, if any (in Block Letters)	Signature
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ELECTONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	User ID
160901026	As per Notes 11 (c) and 11 (f) of instructions for voting given in notice.

Notes:

1. Information and other instructions for Members relating to e-voting has been stated in the Notes to the Notice, which is being sent alongwith this Attendance Slip.
2. Kindly bring copy of the Notice for reference at the Meeting.