



MAHENDRA ALUMINIUM COMPANY LIMITED

Registered Office	B-302, Pelican House, Gujarat Chambers Of Commerce, Ashram Road, Ahmedabad, Gujarat, India-380009
Tel No	079-26583791, 079-26583792
CIN	U65910GJ1995PLC025589
Website	www.arfin.co.in
E-mail	mahendra@arfin.co.in

MEETING OF THE UNSECURED CREDITORS

OF

Mahendra Aluminium Company Limited
(convened pursuant to the order dated 13th day of October 2017 passed by the National Company Law Tribunal, Bench at Ahmedabad)

MEETING

Day	Wednesday
Date	December 13, 2017
Time	1.30 PM
Venue	Ground Floor Hall, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad-380009

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**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT AHMEDABAD
CA (CAA) NO. 106/NCLT/AHM/2017**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230-232 read with other
relevant provisions of the Companies Act, 2013

And

In the matter of Scheme of Amalgamation of
Mahendra Aluminium Company Limited with Arfin
India Limited;

MAHENDRA ALUMINIUM COMPANY LIMITED, a
company incorporated under the provisions of the
Companies Act, 1956 and having its registered office }..... Applicant Company
at "B-302, Pelican House, Gujarat Chambers Of
Commerce, Ashram Road, Ahmedabad, Gujarat, India-
380009.

NOTICE CONVENING THE MEETING OF THE UNSECURED CREDITORS OF THE APPLICANT COMPANY

To,

The unsecured creditors of Mahendra Aluminium Company Limited (the "Applicant Company"):

NOTICE is hereby given that by an order made on October 13, 2017 in the abovementioned Company Application (the "**Order**"), the Hon'ble National Company Law Tribunal, Bench at Ahmedabad ("**NCLT**") has directed that a meeting of the unsecured creditors of the Applicant Company, be convened and held at Ground Floor Hall, Gujarat Chambers of Commerce Building, Ashram Road, Ahmedabad- 380009 Gujarat, India-, on Wednesday, the 13th day of December 2017 at 1.30 PM for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Mahendra Aluminium Company Limited with Arfin India Limited ("**Scheme**").

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the unsecured creditors of the Applicant Company, will be held at Ground Floor Hall, Gujarat Chambers of Commerce Building, Ashram Road, Ahmedabad- 380009 Gujarat, India on Wednesday, the 13th day of December 2017 at 1.30 PM, at which place, day, date and time you are requested to attend. At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

***"RESOLVED THAT** pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the Securities and Exchange Board of India Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the observation letter issued by the BSE Limited, dated August 17, 2017 and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Bench at Ahmedabad ("**NCLT**") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the amalgamation embodied in the Scheme of Amalgamation of Mahendra Aluminium Company*

Limited with Arfin India Limited ("**Scheme**") placed before this meeting and initialled by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

TAKE FURTHER NOTICE that you may attend and vote at the said meeting in person or by proxy provided that a proxy in the prescribed form, duly signed by you or your authorised representative, is deposited at the registered office of the Applicant Company at B-302, Pelican House, Gujarat Chambers Of Commerce, Ashram Road, Ahmedabad, Gujarat, India-380009, not later than 48 (forty eight) hours before the time fixed for the aforesaid meeting. The form of proxy can be obtained free of charge from the registered office of the Applicant Company.

Copies of the Scheme and of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Applicant Company B-302, Pelican House, Gujarat Chambers Of Commerce, Ashram Road, Ahmedabad--380009, Gujarat, India.

NCLT has appointed Mr. Rinkesh P. Shah, Son of Mr. Praful Kumar Shah, Practising Chartered Accountant and in his absence, Mr. Raman M. Shah, Son of Mr. Motilal Jain, Practising Chartered Accountant to be the Chairman of the said meeting including for any adjournment or adjournments thereof.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of NCLT.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.

Sd/-
Mr. Rinkesh P. Shah
(Practising Chartered Accountant)
Chairman appointed for the meeting

Dated this 9th day of November 2017

Registered office:

B-302, Pelican House,
Gujarat Chambers Of Commerce,
Ashram Road,
Ahmedabad -380009
Gujarat, India

Notes:

- 1.** Only unsecured creditors of the Applicant Company may attend and vote either in person or by proxy (a proxy need not be an unsecured creditor of the Applicant Company) or in the case of a body corporate, by a representative authorized under Section 113 of the Companies Act, 2013 at the meeting of the unsecured creditors of the Applicant Company. The authorized representative of a body corporate which is an unsecured creditor of the Applicant Company may attend and vote at the meeting of the unsecured creditors of the Applicant Company provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate authorizing such representative to attend and vote at the meeting of the unsecured creditors of the Applicant Company is deposited at the registered office of the Applicant Company not later than 48 (forty eight) hours before the scheduled time of the commencement of the meeting of the unsecured creditors of the Applicant Company. The Form of Proxy can be obtained free of charge at the registered office of the Applicant Company. All alterations made in the Form of Proxy should be initialed.
- 2.** The quorum of the meeting of the unsecured creditors of the Applicant Company shall be 5 (Five) unsecured creditors of the Applicant Company.
- 3.** Unsecured creditor or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.
- 4.** The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the unsecured creditors at the registered office of the Applicant Company between 10.00 AM and 12.00 noon on all days (except Saturdays, Sundays and public holidays) upto the date of the meeting.
- 5.** Mr. Kamlesh M Shah, Practicing Company Secretary (Membership No. ACS: 8356, COP: 2072) has been appointed as the scrutinizer to conduct the voting process through ballot/poll paper at the venue of the meeting in a fair and transparent manner.
- 6.** The scrutinizer will submit his report to the Chairperson of the meeting after completion of the scrutiny of the votes cast by the unsecured creditors of the Applicant Company through poll paper at the venue of the meeting. The scrutinizer's decision on the validity of the vote shall be final. The results of votes cast through poll paper at the venue of the meeting will be announced on or before December 15, 2017 at the registered office of the Applicant Company. The results, together with the scrutinizer's Reports, will be displayed at the registered office of the Applicant Company and on the website of the Applicant Company besides being communicated to BSE Limited.
- 7.** Unsecured creditors as per the books of accounts as on August 31, 2017 will be entitled to exercise their right to vote on the above meeting.
- 8.** NCLT by its said Order has directed that a meeting of the unsecured creditors of the Applicant Company shall be convened and held at Ground Floor Hall, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad India, on Wednesday, the 13th day of December 2017 at 1.30 PM, for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Unsecured creditors would be entitled to vote in the said meeting either in person or through proxy.
- 9.** The Applicant Company has provided the facility of ballot/polling paper at the venue of the meeting.
- 10.** In accordance with the provisions of Sections 230 - 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three fourth in value of the unsecured creditors of the Applicant Company, voting in person or by proxy, agree to the Scheme.
- 11.** The Notice, together with the documents accompanying the same, is being sent to the unsecured creditors either by registered post or speed post or by courier service. The Notice will be displayed on the website of the Applicant Company www.arfin.co.in
- 12.** The notice convening the meeting, the date of dispatch of the notice and the Explanatory Statement, amongst others, will be published through advertisement in the following newspapers, namely, (i) Indian Express (Ahmedabad Edition) in the English language; and (ii) translation thereof in Sandesh (Ahmedabad Edition) in the Gujarati language.

Encl.: As above

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT AHMEDABAD
CA (CAA) NO. 106/NCLT/AHM/2017**

In the matter of the Companies Act, 2013;

And

In the matter of Sections 230-232 read with other
relevant provisions of the Companies Act, 2013

And

In the matter of Scheme of Amalgamation of
Mahendra Aluminium Company Limited with Arfin
India Limited;

MAHENDRA ALUMINIUM COMPANY LIMITED, a
company incorporated under the provisions of the
Companies Act, 1956 and having its registered office at "B-302, Pelican House, Gujarat Chambers Of
Commerce, Ashram Road, Ahmedabad, Gujarat, India-
380009." }..... Applicant Company

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013
READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES,
2016**

1. Pursuant to the Order dated October 13, 2017, passed by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad (the "NCLT"), in CA (CAA) NO. 106/NCLT/AHM/2017 ("Order"), a meeting of the unsecured creditors of Mahendra Aluminium Company Limited (hereinafter referred to as the "Applicant Company" or the "Transferor Company" as the context may admit) is being convened at Ground Floor Hall, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad, on Wednesday, December 13, 2017 at 1.30 PM, for the purpose of considering, and if thought fit, approving, with or without modification(s), the Scheme of Amalgamation of Mahendra Aluminium Company Limited (hereinafter referred to as the "Transferor Company") with Arfin India Limited (hereinafter referred to as the "Transferee Company") under Section 230 read with Section 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme"). Transferor Company and the Transferee Company are together referred to as the "Companies". A copy of the Scheme, which has been, inter alia, approved by the Audit Committee and the Board of Directors of the Applicant Company at their meetings, both held on May 20, 2017, is enclosed as Annexure 1. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.
2. In terms of the said Order, the quorum for the said meeting shall be 5 (Five) unsecured creditors present in person. Further in terms of the said Order, NCLT, has appointed appointed Mr. Rinkesh P. Shah, Son of Mr. Praful Kumar Shah, Practicing Chartered Accountant and in his absence, Mr. Raman M. Shah, Son of Mr. Motilal Jain, Practicing Chartered Accountant to be the Chairman of the said meeting including for any adjournment or adjournments thereof.
3. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 (the "Act") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "Rules").
4. As stated earlier, NCLT by its said Order has, inter alia, directed that a meeting of the unsecured creditors of the Applicant Company shall be convened and held at Ground Floor Hall, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad-380009, India, on Wednesday, December 13, 2017 at 1.30

PM for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Unsecured creditors would be entitled to vote in the said meeting either in person or through proxy.

5. In accordance with the provisions of Sections 230 – 232 of the Act, the Scheme shall be acted upon only if a majority in number representing three fourths in value of the unsecured creditors, or class of unsecured creditors, of the Applicant Company, as the case may be, voting in person or by proxy agree to the Scheme.
6. In terms of the Order dated October 13, 2017, passed by the NCLT, in CA(CAA) No. 106/ NCLT/AHM/2017, if the entries in the records/registers of the Applicant Company in relation to the number or value, as the case may be, of the unsecured creditors are disputed, the Chairperson of the meeting shall determine the number or value, as the case may be, for the purposes of the said meeting, subject to the order of NCLT in the petition seeking sanction of the Scheme.

Particulars of the Transferee Company

7. The Transferee Company is a company incorporated on 10 day of April 1992 with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956 (the “**Act of 1956**”) in the name of Arvindkumar Rameshkumar Investment Private Limited. Its name was changed to (a) Arfin India Private Limited on 19th day of December, 1995 and subsequently changed to Arfin India Limited on 19th day of December 1995. The Transferee Company is a listed public limited company. The equity shares of the Transferee Company are listed on the BSE Limited ('BSE') and Calcutta Stock Exchange Limited ('CSE'). The Corporate Identification Number of the Transferee Company is L65990GJ1992PLC017460. The Permanent Account Number of the Transferee Company is AAECA1211A.
8. The registered office of the Transferee Company is situated at B-302, Pelican House, Gujarat Chambers Of Commerce, Ashram Road, Ahmedabad, Gujarat, India-380009. The e-mail address of the Transferee Company is mahendra@arfin.co.in
9. The objects for which the Transferee Company has been established are set out in its Memorandum of Association. The main object of the Transferee Company is, as follows:

“3(A)1. To carry on all the business of buying, selling, reselling, importing, exporting, manufacturing, assembling and trading of all kinds of goods whether finished or semi-finished raw materials, articles, merchandise, products such as agricultural, industrial, chemical or marine, metals including metal scrap, precious metals, gems and jewellery, precious stones, pieces of arts antiques, handicrafts, machinery, equipment, capital goods, computer hardware and software, computer peripherals and other ancillary items relating to computers and any other item capable of purchasing, selling, importing, exporting, trading and manufacturing including to act as distributors or service providers on commission allowances, retainership, incentive basis or otherwise.”

There has been no change in the object clause of the Transferee Company in the last five (5) years.

10. The brief description of the major activities being carried out by the Transferee Company are as under:
 - a) The Company is mainly into Aluminium Alloy and Cored Wire, Wire Rod and Aluminium Deox businesses. Aluminum Alloy is used in several end use industries viz. automotive, construction, transportation, packaging, electrical, machinery and others such as sporting goods etc.”
 - b) The Company has entered into new line of business through addition of new product lines of Master Alloys and Ferro Alloys. The Company has started commercial production and sales from Master Alloys and Ferro Alloys vertical.
 - c) The Company has separate laboratory set ups for different business verticals. There is separate laboratory for quality testing of Aluminium Deox Products, Aluminium Wire Rod, Cored Wire, Aluminium Alloys, Master Alloys & Ferro Alloys and Conductor & Cable products before sale to the customers.
 - d) The Company covers almost all major steel players in India. Aluminium Deox products are used to deoxidize the steel and to complete the steel manufacturing process. Aluminium Deox products

include Aluminium Cubes, Aluminium Shots, Aluminium Notch Bars & Aluminium Ingots. This is a high volume & low operating cost business which has a quality customer base across the steel industry in India.

11. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferee Company as on 31st day of March 2017 was as follows:

Particulars	Amount(INR)
Authorised Share Capital	
1,10,00,000 equity shares of face value of INR 10/- each	11,00,00,000*
TOTAL	11,00,00,000
Issued, subscribed and paid-up share capital	
40,51,157 fully paid-up equity shares of face value of INR 10/- each	4,05,11,570**
TOTAL	4,05,11,570

Notes:

* Subsequent to March 31, the authorized Share Capital of the Transferee Company is increased from Rs. 11,00,00,000/- (1,10,00,000 Equity Shares) to Rs. 30,00,00,000/- (3,00,00,000 Equity Shares) pursuant to the ordinary resolution passed by the members of the company through Postal Ballot on October 24, 2017.

** The Board of directors of the Company at its Board Meeting held on September 10, 2017 recommended issuance of Bonus Equity Shares by capitalization of its reserves in the ratio of 2 (Two) bonus Equity Shares for every 1 (One) existing Equity Share of Rs. 10/- each fully paid up held by the members as on record date.

The members of the Company have approved the issuance of Equity Bonus Share pursuant to the ordinary resolution passed by the members of the company through Postal Ballot on October 24, 2017, consequently the Issued, subscribed and paid up Share Capital is increased from Rs. 4,05,11,570/- to Rs. 12,15,34,710/-

Particulars of the Transferor Company

12. The Transferor Company is a company incorporated on 25th day of April, 1995 with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956 in the name of Arfin Enterprises Limited and received the certificate for Commencement of Business on May 9, 1995. The name of Arfin Enterprises Limited was changed to Mahendra Aluminium Company Limited with effect from 17th day of April 2013. The Transferor Company is an unlisted public limited company. Except as stated hereinabove, there has been no change in the name of the Transferor Company in the last five (5) years. The Corporate Identification Number of the Transferor Company is U65910GJI995PLC025589. The Permanent Account Number of the Transferor Company is AABCA6409P.
13. The registered office of the Transferor Company is situated at B-302, Pelican House, Gujarat Chambers Of Commerce, Ashram Road, Ahmedabad, Gujarat, India-380009. There has been no change in the registered office address of the Transferor Company in the last five (5) years. The e-mail address of the Transferee Company is mahendra@arfin.co.in
14. The objects for which the Transferor Company has been established are set out in its Memorandum of Association. The main objects of the Transferee Company are as follows:

“3. (A)

- 1) To set up, operate, fabricate, market and deal in steel furnace, steel rolling mills, steel rolling plant and to re-roll mild, low, medium, high carbon and alloy steel and alloy cold rolled and hot rolled strips, refine alloy and manufacture ingots, skelped billets of special steel and alloy steels and to act as steel makers, steel converters ship breakers and to manufacture metallurgical products in all forms.
- 2) To manufacture, produce, trade, export, import, market and deal in re-rolled sections of all sizes and specifications of ferrous and nonferrous, including angles, bars, flats, plates, rods, rails, rounds, octagons, hexagons, joint channels, sheets, strips, plates and cold twisted bars and other structures, steel extruded sections, forgings and to manufacture and deal in domestic goods made up of any

metals and to manufacture and deal in steel and aluminium furniture and foils manufactured from aluminium and other ferrous and non-ferrous metals.

- 3) *To carry on the business of manufacturers, fabricators, exporters of and dealers in wrought iron, pig iron, copper, brass, aluminium and other metals, metal alloys and scrap metals, skullcap and metallic residue and mineral substances or compounds or products of any kind or description whatever.*
- 4) *To provide consultancy and other services including financial, investment, management, technical and making of surveys and reports thereon and to manage the invest portfolios of various individuals, firms, companies and other persons and to act as consultants for estates properties and other assets, to carry on promotion of business and in particular to form, constitute, float, to finance, lead and advance moneys, prepare projects and feasibility reports and credit appraisal reports for and on behalf of any companies, associates, undertakings, firms, individuals and all other entities.*
- 5) *To undertake bills discounting business, to purchase, finance, discount, rediscount, bills of exchange, to act as a discount and acceptance house, to arrange acceptance or co-acceptance of bills."*

There has been no change in the object clause of the Transferor Company in last 5 Years.

15. The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferor Company as on March 31, 2017 is as follows:

Particulars	Amount(INR)
Authorised Share Capital	
15,00,000 equity shares of face value of INR 10/- each	1,50,00,000
TOTAL	1,50,00,000
Issued, subscribed and paid-up share capital	
11,85,000 fully paid-up equity shares of face value of INR 10/- each	1,18,50,000
TOTAL	1,18,50,000

16. Subsequent to March 31, 2017, there has been no change in the share capital of the Transferor Company.

Rationale and Objectives for the Scheme

17. RATIONALE AND OBJECTIVES OF THE SCHEME OF AMALGAMATION

With a view to rationalize and consolidate the business activities of the Companies, the present Scheme is proposed. The proposed merger of MALCO with ARFIN will benefit both the Companies in the following manner:-

- (a) The merger will consolidate the business activity and will lead to greater efficiency in the overall business and achieve integration of the business operations as well as synergy benefits through combined operations of both the entities.
- (b) Since the products of both the companies are similar in nature, the contemplated merger will lead to economies of scale which in turn will promote cost efficiency by means of reduction in administrative overheads, reduction in multiplicity of legal and regulatory compliances, and help run the business more effectively and economically resulting in better utilization of resources.
- (c) The proposed amalgamation will contribute in fulfilling and furthering the objects of the companies. It will strengthen, consolidate and stabilize the business of these companies and will facilitate further expansion and growth of their business.
- (d) The proposed amalgamation shall improve the efficiency in cash management, organizational capability from pooling of human capital having skill, talents and vast experience and thereby increase competitiveness in the industry.
- (e) The Transferee Company will have benefit of the combined assets and man-power of both the companies. The combined resources will enhance its capability to expand and increase its market share more effectively.

- (f) The proposed amalgamation will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors and all persons connected with the companies.

Corporate Approvals

18. The proposed Scheme was placed before the Audit Committee of the Transferee Company at its meeting held on May 20, 2017. The Audit Committee of the Transferee Company took into account the Valuation Report dated May 20, 2017, issued by M/s. Sandip Desai & Co., Chartered Accountants, (the "Valuation Report") and the fairness opinion, dated May 20, 2017, provided by Vivro Financial Services Private Limited, Category 1 Merchant Banker, ("Fairness Opinion") appointed for this purpose by the Transferee Company. A copy of the Valuation Report is enclosed as Annexure 2. The Valuation Report is also open for inspection. A copy of the Fairness Opinion is enclosed as Annexure 3. The Audit Committee of the Transferee Company based on the aforesaid, inter alia, recommended the Scheme to the Board of Directors of the Transferee Company for its favourable consideration.
19. The Scheme along with the Valuation Report was placed before the Board of Directors of the Transferee Company, at its meeting held on Saturday, May 20, 2017 At 10.30 AM. The Fairness Opinion and the report of the Audit Committee was also submitted to the Board of Directors of the Transferee Company. Based on the aforesaid, the Board of Directors of the Transferee Company approved the Scheme. The meeting of the Board of Directors of the Transferee Company, held on May 20, 2017, was attended by 6 (Six) directors (namely, Jatin M. Shah, Mahendrakumar R. Shah, Pushpa M. Shah, Bherulal L. Chopra, Dilip Kumar Daga and Shanti Lal Mehta) in person. None of the directors of the Transferee Company who attended the meeting, voted against the Scheme. Thus, the Scheme was approved unanimously by the directors, who attended and voted at the meeting.
20. The Scheme along with the Valuation Report was placed before the Board of Directors of the Transferor Company, at its meeting held on May 20, 2017. Based on the aforesaid, the Board of Directors of the Transferor Company approved the Scheme. The meeting of the Board of Directors of the Transferor Company, held on May 20, 2017, was attended by 3 (Three) directors (namely, Jatin M. Shah, Pushpa M. Shah, Mahendrakumar R. Shah) in person. None of the directors of the Transferor Company who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors, who attended and voted at the meeting.

Approvals and actions taken in relation to the Scheme

21. BSE was appointed as the designated stock exchange by the Transferee Company for the purpose of coordinating with the SEBI, pursuant to the SEBI Circular. The Transferee Company has received observation letter regarding the Scheme from BSE, on August 17, 2017. In terms of the observation letters of BSE dated August 17, 2017, BSE, inter alia, conveyed their no adverse observations/no objection for filing the Scheme with NCLT. Copies of the observation letter, dated August 17, 2017 received from BSE, is enclosed as **Annexures 4**.
22. As required by the SEBI Circular, the Transferee Company had filed the complaints report with BSE, on July 6, 2017. These reports indicate that the Transferee Company received nil complaints. Copy of the complaints report submitted by the Transferee Company to BSE, dated July 6, 2017 is enclosed as **Annexure 5**.
23. In respect of the aforesaid Scheme, the Transferee Company has received no objection /approvals /consents from BSE pursuant to letter dated August 17, 2017 addressed by SEBI. The Companies or any of them would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, if so required.
24. The applications along with the annexures thereto (which includes the Scheme) were filed by the Companies with the NCLT, on October 6, 2017.

25. Certain clauses of the Scheme are extracted below:

1. DEFINITIONS

In this Notice, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as under:-

- 1.1 **'Act'** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modification or re-enactment or amendment thereof for the time being in force, except to the extent the provision which are still applicable as per the Companies Act, 1956 and/or any statutory modification or re-enactment or amendment thereof for the time being in force;
- 1.2 **'Amalgamation'** means the transfer and vesting of undertaking of the Transferor Company into the Transferee Company in accordance with the Scheme.
- 1.3 **'Appointed Date'** means the Date of April 1, 2017.
- 1.4 **'Stock Exchange'** shall have the same meaning as ascribed to it under the Securities Contracts (Regulation) Act, 1956, where shares of the Transferee Company are listed.
- 1.5 **'The Scheme'** means this Scheme of Amalgamation in its present form or with any modifications approved or imposed or directed by the Hon'ble National Company Law Tribunal, Ahmedabad.
- 1.6 **'Transferee Company'** or **'ARFIN'** shall mean Arfin India Limited, a Company incorporated under the Act, having its registered office at B-302, 3rd Floor, Pelican House, Near Natraj Cinema, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad-380 009. The Company is engaged in the business of manufacturing Aluminium Products, Auto & Cored Wire Products.
- 1.7 **'Transferor Company'** or **'MALCO'** shall mean Mahendra Aluminium Company Limited, a company incorporated under the Act, having its registered office at B-302, 3rd Floor, Pelican House, Near Natraj Cinema, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad-380009. The Company is engaged in manufacturing Aluminium Products and trading in Aluminium scrap.
- 1.8 **'Tribunal'** means the National Company Law Tribunal or any other judicial forum prescribed under the provisions of the Companies Act, 2013 for approving any Scheme of arrangement, compromise or reconstruction of companies under sections 230 to 240 of the Companies Act, 2013.
- 1.9 **'Undertaking of Transferor Company'** shall mean and include:-
 - a) All the assets and properties of the Transferor Company as on the Appointed Date.
 - b) All the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date.
 - c) Without prejudice to the generality of Sub-clause (a) above the undertaking of the transferor company shall include all the transferor company's reserves, provisions, funds, moveable and immovable properties, assets including investments, claims, powers, authorities, authorized capital, allotment, approvals, consents, registrations, contracts, enactments, deferred income, arrangements, rights, titles, interest, benefits, advantages, lease-hold rights and other intangible rights, industrial and all licenses, permits, pre & post authorizations, quota, rights, trade marks, patents, brands, secret formulae, drawings, research rights and other industrial intellectual properties, imports, telephone/facsimile/telex and other communication facilities, Electrical Connections, non-conventional devices and equipments including Computers, Hardwares, Softwares, and other electronic equipments and instruments, system of any kind whatsoever, rights and benefits of all agreements and other interests including rights & benefits under various schemes of different Taxation Laws as may belong to or be available to the Transferor Company, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, awards of Arbitrators if any and approval of whatsoever nature and wheresoever situated, belonging to or in ownership, power or possession or control or entitlement of the Transferor Company.

The expressions which are used in this Notice and not defined in this Notice shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning as ascribed to

them under the Act and other applicable laws, Articles of Association, rules, regulations, bye-laws, as the case may be, or any statutory modifications or re-enactment thereof from time to time.

10 CONSIDERATION BY THE TRANSFeree COMPANY

Upon this Scheme becoming effective, and in consideration for the transfer and vesting of the entire undertakings of the Transferor Company with the Transferee Company, the Transferee Company, shall, without any further application or deed, but subject to necessary approvals, if any, being granted, issue and allot fully paid up Equity Shares to the shareholders of the Transferor Company, holding fully paid up equity shares in the Transferor Company, (whose names appear in the Register of Members of the Transferor Company on the Record Date, or his/her heirs, executors, administrators or successors-in-title, as the case may be), as under:

“31 (Thirty One) Equity Shares of the face value of Rs. 10/- each as fully paid up of the Transferee Company for every 100 (Hundred) Equity Shares of the face value of Rs 10/- each held in the Transferor Company (Hereinafter, equity shares to be issued to the shareholders of Transferor Company are referred to as “New Equity Shares”).”

11. ACCOUNTING TREATMENT OF ASSETS, LIABILITIES AND RESERVES OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferee Company shall account for the amalgamation, in its books with effect from the Appointed Date, in accordance with the Purchase method prescribed under Accounting Standard 14 (Accounting for Amalgamations), notified under the Companies Accounting Standards Rules and/or any other Act for the time being in force as mentioned in Sec. 133 of the Act, as under:

- 11.1 All the assets and liabilities of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values.
- 11.2 The Transferee Company shall credit to the Share Capital Account in its books of account, the aggregate face value of the New Equity Shares issued and allotted under the Scheme to the equity shareholders of the Transferor Company pursuant to this Scheme.
- 11.3 The amount of any inter-company balances and investments shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Transferee Company.
- 11.4 The difference arising after giving effect to clause 11.1, 11.2 and 11.3 above shall be credited to capital reserve, in case there being an excess or debited to Goodwill Account in case there being a shortfall.
- 11.5 In case of any difference in the accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted against the Profit & Loss Account of the Transferee Company to ensure that the financial statements of the Transferee Company and Transferor Company reflect the financial position on the basis of consistent accounting policy.

16. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional on and subject to the following approvals:-

- 16.1 The approval to the Scheme by the requisite majority of the members and Creditors, as may be applicable in case of the respective companies.
- 16.2 The approval from the shareholders of the Transferee Company to be obtained through e-voting in terms of Para 9 (a) and (b) of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as may be amended from time to time, provided that the same shall be acted upon only if the votes cast by public shareholders in favour of the Scheme are more than the votes cast by public shareholders against it;
- 16.3 The sanction of the Hon'ble National Company Law Tribunal under Sections 230 and/ or 232 of the said Act, in favour of the Transferor Company and the Transferee Company and to the necessary Order or Orders under Section 232 of the said Act, being obtained.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only certain clauses of the Scheme.

Other matters

26. The accounting treatment as proposed in the Scheme is in conformity with the accounting standard prescribed under Section 133 of the Act. The certificates issued by the respective Statutory Auditors of the Companies are open for inspection.
27. Under the Scheme, an arrangement is sought to be entered into between the Transferor Company and its equity shareholders (promoter shareholders and non-promoter shareholders). On the Effective Date and as enumerated in Clause 1.1.3 of the Scheme, the Transferee Company shall issue and allot equity shares to the Transferor Company.
28. In respect of the Scheme, an arrangement is sought to be entered into between the Transferor Company and its creditors though no liabilities of the creditors of the Transferor Company is being reduced or being extinguished under the Scheme.
29. The rights of the employees of the Transferor Company are in no way affected by the Scheme. The employees engaged by the Transferor Company shall continue to be employed by the Transferee Company. There is no effect of the Scheme on the Key Managerial Personnel and/or the Directors of the Transferee Company.
Further, none of the Directors, Key Managerial Personnel (as defined under the Companies Act, 2013 and Rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Companies Act, 2013 and Rules framed thereunder) have any interest in the Scheme except to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the company that hold shares in the Transferor Company. Save as aforesaid, none of the said Directors, Key Managerial Personnel have any material interest in the Scheme.
30. No investigation proceedings have been instituted or are pending in relation to the Companies under Sections 210 to 229 of Chapter XIV of the Act or under the corresponding provisions of the Act of 1956. Further, no proceedings are pending under the Act or under the corresponding provisions of the Act of 1956 against any of the Companies.
31. To the knowledge of the Companies, no winding up proceedings have been filed or are pending against them under the Act or the corresponding provisions of the Act of 1956.
32. The copy of the proposed Scheme has been filed by the respective Companies before the concerned Registrar of Companies.
33. The Unaudited Financial Results of the Transferee Company for the Quarter ended June 30, 2017 (Limited Review Report) are enclosed as **Annexure 9** and Provisional Financial Statement of Transferor Company for the period ended September 30, 2017 are enclosed as **Annexure 10**.
34. As per the Certificate issued by Raman M. Jain & Co., Chartered Accountants, the amount due to the unsecured creditors (as on August 31, 2017) of the Transferee Company, are Rs. 31,34,15,361 and secured creditors are Rs. 60,15,18,288.
35. As per the Certificate issued by Kothari & Gupta Associates, Chartered Accountants, the amount due to the unsecured creditors (as on August 31, 2017) of the Transferor Company, are Rs. 9,48,79,110 and secured creditors Rs. 13,39,35,943.

36. The name and addresses of the promoters of the Transferee Company including their shareholding in the Companies as on date of approving the scheme by Board of directors i.e. May 20, 2017 are as under:

Sr. No.	Name and address of Promoters	Transferee Company		Transferor Company	
		No. of shares of Rs. 10 each	%	No. of shares of Rs. 10 each	%
1.	Mahendra R. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	6,82,400	16.84	98,900	8.35
2.	Jatin M. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	6,08,900	15.03	2,93,400	24.76
3.	Puspaben M. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	5,97,700	14.75	7,600	0.64
4.	Rani J. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	5,03,900	12.44	2,89,200	24.41
5.	Mahendrakumar Rikhavchand Shah HUF Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	62,500	1.54	90,900	7.67
6.	Jatin Mahendra Shah HUF Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	1,80,500	4.46	-	-
7.	Pooja M. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	1,35,500	3.34	2,85,000	24.05
8.	Khushbu M. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	47,857	1.18	0	0.00
9.	Krish J. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	1,00,000	2.47	0	0.00
10.	Khawish J. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	25,000	0.62	0	0.00

37. The name and addresses of the promoters of the Transferor Company including their shareholding in the Companies as on date of approving the scheme by Board of directors i.e May 20, 2017 are as under:

Sr. No.	Name and address of Promoters	Transferor Company	
		No. of shares of Rs. 10 each	%
1.	Mahendra R. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	98,900	8.35
2.	Jatin M. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	2,93,400	24.76
3.	Puspaben M. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	7,600	0.64
4.	Rani J. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	2,89,200	24.41
5.	Mahendrakumar Rikhavchand Shah HUF Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	90,900	7.67
6.	Pooja M. Shah Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	2,85,000	24.05

38. The details of the directors of the Transferee Company as on date of approving the scheme by Board of directors i.e May 20, 2017 are as under:

DIN/PAN	Name	Address	Begin date	End date
00182683	Jatin M. Shah	Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	12/06/2012	-
00182746	Mahendrakumar R. Shah	Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	30/09/1998	-
00182754	Pushpa M. Shah	Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	05/11/2015	-
01149396	Bherulal L. Chopra	44 Hirabhai market, D. B road, Kankaria Ahmedabad-380022	27/12/2016	-
02918995	Dilip Kumar Daga	A-204, Pushpvan Apartment, Bodakdev, - 380059, Tal Daskroi, Ahmedabad 380059	25/08/2014	23/06/2017
02479309	Dineshchandra M. Shah	303,304, Arihant Nagar, Opp. Subh Complex, Camp Road, Shahibaug Ahmedabad 380004	20/09/2017	-
06459451	Shanti Lal Mehta	H. No. 1010, Sector. 46-B, Chandigarh 160047	05/11/2015	-

39. The details of the directors of the Transferor Company as on date of approving the scheme by Board of directors i.e. May 20, 2017 are as under:

DIN/PAN	Name	Address	Begin date	End date
00182683	Jatin M. Shah	Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	07/06/2012	-
00182746	Mahendrakumar R. Shah	Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	25/04/1995	-
00182754	Pushpa M. Shah	Khandwala Bungalow, Near Dharamnagar Post Office, Sabarmati, Ahmedabad-380005	24/11/2016	-

40. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferee Company as on date of approving the scheme by Board of directors i.e. May 20, 2017 are as under:

Name of Director and KMP	Position	Number of Equity Shares held in	
		Transferor Company	Transferee Company
Jatin M. Shah	Managing Director	2,93,400	6,08,900
Mahendrakumar R. Shah	Whole Time Director & Executive Chairman	98,900	6,82,400
Pushpa M. Shah	Executive Woman Director	7,600	5,97,700
Vijay Lathi	Chief Financial Officer	0	0
Shantilal Mehta	Non-Executive Independent Director	0	0
Bherulal Lalchand Chopra	Independent Director	0	0
Dineshchandra Mangaldas Shah	Independent Director	0	0

41. The details of the shareholding of the Directors and the Key Managerial Personnel (KMP) of the Transferor Company as on date of approving the scheme by Board of directors i.e. May 20, 2017 are as under:

Name of Director and KMP	Position	Equity Shares held in	
		Transferor Company	Transferee Company
Jatin M. Shah	Director	2,93,400	6,08,900
Mahendrakumar R. Shah	Director	98,900	6,82,400
Pushpa M. Shah	Director	7,600	5,97,700

42. Pre & Post arrangement shareholding pattern of Transferee Company is as under:

Sr. No.	Category of shareholder	Pre Scheme shareholding pattern		Post Scheme shareholding pattern	
		No. of shares of Rs. 10 each	%	No. of shares of Rs. 10 each	%
(A)	Promoter and Promoter Group				
1	Indian				
(a)	Individuals/ Hindu Undivided Family	29,44,257	72.68	32,74,407	74.11
(b)	Central Government/State Government(s)	-	-	-	-
(c)	Bodies Corporate	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-
(e)	Any Other (specify)	-	-	-	-
	Held by respective trustees (Beneficiary holders Family Trusts)	-	-	-	-
	Held by respective LLP	-	-	-	-
	Sub-Total (A)(1)	29,44,257	72.68	32,74,407	74.11
2	Foreign	-	-	-	-
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-
(b)	Bodies Corporate	-	-	-	-
(c)	Institutions	-	-	-	-
(d)	Any Other (specify)	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	29,44,257	72.68	32,74,407	74.11
(B)	Public Shareholding				
1	Institutions	-	-	-	-
(a)	Mutual Funds	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-
(e)	Foreign Portfolio Investor	-	-	-	-
(f)	Financial Institutions/ Banks	-	-	-	-
(g)	Insurance Companies	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-
(i)	Any Other (Specify)	-	-	-	-
	Foreign Institutional Investors	-	-	-	-
	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.	3,59,888	8.88	3,97,088	8.99
(b)	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	6,55,687	16.19	6,55,687	14.84
	NBFCs registered with RBI	-	-	-	-
(c)	Employee Trusts	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-
(e)	Any Other (specify)	91,325	2.07	91,325	2.07
	Hindu Undivided Family	23,931	0.54	23,931	0.54
	Non Resident Indian (Non Repat)	37,905	0.86	37,905	0.86
	Non Resident Indian (Repat)	217	0.00	217	0.00
	Clearing Member	2,144	0.05	2,144	0.05
	Bodies Corporate	27,128	0.61	27,128	0.61
	Sub-Total (B)(3)	11,06,900	27.32	11,44,100	25.89
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	11,06,900	27.32	11,44,100	25.89
	TOTAL Shareholding (A)+(B)	40,51,157	100.00	44,18,507	100.00

* There has been change in Authorised Share Capital and Paid up Capital subsequent to March 31, 2017. Please refer note under para 11 of the Explanatory Statement

43. Pre arrangement shareholding pattern in summary format of the Transferor Company as on May 20, 2017:

Sr. No.	Category of Shareholders	Pre arrangement Shareholding Pattern		
		No. of Shareholders	No. of shares of Rs. 10 each	%
1.	Promoter & Promoter Group	6	10,65,000	89.87
2.	Public	2	1,20,000	10.13
	Total	8	11,85,000	100.00

44. Pre-arrangement shareholding pattern in summary format of the Transferee Company as on 20 day of May 2017:

Sr. No.	Category of Shareholders	Pre arrangement Shareholding Pattern		
		No. of Shareholders	No. of shares of Rs. 10 each	%
1.	Promoter & Promoter Group	10	29,44,257	72.68
2.	Public	794	11,06,900	27.32
	Total	804	40,51,157	100.00

45. Post-arrangement (expected) shareholding pattern in summary format of the Transferee Company (assuming the continuing shareholding pattern as on 31 day of September 2017):

Sr. No.	Category of Shareholders	Post arrangement Shareholding Pattern		
		No. of Shareholders	No. of shares of Rs. 10 each	%
1.	Promoter & Promoter Group	10	32,74,407	74.11
2.	Public	796	11,44,100	25.89
	Total	806	44,18,507	100.00

* There has been change in Authorised Share Capital and Paid up Capital subsequent to March 31, 2017. Please refer note under para 11 of the Explanatory Statement

46. The post-Scheme (expected) capital structure of the Transferee Company will be as follows (assuming the continuing capital structure as on 31 day of September 2017):

Share Capital	Amount (in Rs.)
Authorized Share Capital 1,25,00,000 equity shares of Rs. 10 each	12,50,00,000
TOTAL	12,50,00,000
Issued, Subscribed and Paid-Up Share Capital 44,18,507 equity shares of Rs. 10 each	4,41,85,070
TOTAL	4,41,85,070

* There has been change in Authorised Share Capital and Paid up Capital subsequent to March 31, 2017. Please refer note under para 11 of the Explanatory Statement

47. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
48. The following documents will be open for inspection by the equity shareholders of the Applicant Company at its registered office at "B-302, Pelican House, Gujarat Chambers Of Commerce, Ashram Road, Ahmedabad, Gujarat, India-380009, between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting:
- (i) Copy of the order passed by NCLT in CA (CAA) No. 107/NCLT/AHM/ 2017, dated October 13, 2017 directing the Transferee Company to, inter alia, convene the meetings of its equity shareholders, secured creditors and unsecured creditors.
 - (ii) Copy of the final order passed by NCLT in CA (CAA) No. 106/NCLT/AHM/2017, dated October 13, 2017, inter alia, dispensing with the meetings of the equity shareholders of the Transferor Company;
 - (iii) Copy of CA (CAA) No. 107/NCLT/AHM/2017 along with annexures filed by the Transferee Company before NCLT;
 - (iv) Copy of CA (CAA) No. 106/NCLT/AHM/2017 along with annexures filed by the Transferor Company before NCLT;
 - (v) Copy of the Memorandum and Articles of Association of the Transferor Company and the Transferee Company, respectively;
 - (vi) Copy of the annual reports of the Transferor Company and the Transferee Company, for the financial years ended 31 March 2017 and 31 March 2016.
 - (vii) Copy of the Register of Directors' shareholding of each of the Companies;
 - (viii) Copy of Valuation report dated May 20, 2017 submitted by Sandip Desai & Co., Chartered Accountants;
 - (ix) Copy of the Fairness Opinion, dated May 20, 2017 submitted by Vivro Financial Services Private Limited, to the Board of Directors of the Transferee Company;
 - (x) Copy of the Audit Committee Report, dated May 20, 2017, of the Transferee Company;
 - (xi) Copy of the resolutions, dated May 20, 2017, passed by the respective Board of Directors of the Companies, approving the Scheme;
 - (xii) Copy of the extracts of the minutes of the meetings, dated May 20, 2017, passed by the respective Board of Directors of the Companies, in respect of the approval of the Scheme;
 - (xiii) Copy of the Statutory Auditors' certificate dated January 31, 2017 issued by Raman M. Jain & Co., Chartered Accountants to the Transferee Company;
 - (xiv) Copy of the Statutory Auditors' certificate dated May 20, 2017 issued by Kothari & Gupta Associates, Chartered Accountants, to the Transferor Company;
 - (xv) Copy of the complaints report, dated July 6, 2017, submitted by the Transferee Company to BSE;
 - (xvi) Copy of the no adverse observations/no objection letter issued by BSE, dated August 17, 2017, to the Transferee Company;
 - (xvii) Copy of Form No. GNL-1 filed by the Companies with the concerned Registrar of Companies along with challan , evidencing filing of the Scheme;
 - (xviii) Copy of the certificate, dated September 28, 2017, issued by Kothari & Gupta Associates, Chartered Accountants, certifying the amount due to the unsecured creditors of the Transferor Company as on August 31, 2017;
 - (xix) Copy of the certificate, dated September 28, 2017, issued by Raman M. Jain & Co., Chartered Accountants, certifying the amount due to the unsecured creditor of the Transferee Company as on August 31, 2017;
 - (xx) Copy of the Scheme;

- (xxi) Copy of the applicable information of the Transferor Company in the format specified for abridged prospectus as provided in Part D of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

49. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules. A copy of the Scheme, Explanatory Statement and Form of Proxy shall be furnished by the Transferor Company to its creditors, free of charge, within one (1) day (except Saturdays, Sundays and public holidays) on a requisition being so made for the same by the creditors of the Transferor Company.
50. After the Scheme is approved, by the secured creditors and unsecured creditors of the Transferor Company, it will be subject to the approval/sanction by NCLT.

Sd/-
Mr. Rinkesh P. Shah
(Practising Chartered Accountant)
Chairman appointed for the meeting

Dated: November 9, 2017

Registered office:

B-302, Pelican House,
Gujarat Chambers Of Commerce,
Ashram Road,
Ahmedabad -380009
Gujarat, India

Annexure -1

SCHEME OF AMALGAMATION OF MAHENDRA ALUMINIUM COMPANY LIMITED WITH ARFIN INDIA LIMITED

Preamble

This Scheme of Amalgamation is presented for the amalgamation of Mahendra Aluminium Company Limited with Arfin India Limited pursuant to sections 230-232 of the Companies Act, 2013.

1. DEFINITIONS

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

- 1.1 **'Act'** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modification or re-enactment or amendment thereof for the time being in force, except to the extent the provision which are still applicable as per the Companies Act, 1956 and/or any statutory modification or re-enactment or amendment thereof for the time being in force;
- 1.2 **'Amalgamation'** means the transfer and vesting of undertaking of the Transferor Company into the Transferee Company in accordance with the Scheme.
- 1.3 **'Appointed Date'** means the Date of April 1, 2017.
- 1.4 **'Stock Exchange'** shall have the same meaning as ascribed to it under the Securities Contracts (Regulation) Act, 1956, where shares of the Transferee Company are listed.
- 1.5 **'The Scheme'** means this Scheme of Amalgamation in its present form or with any modifications approved or imposed or directed by the Hon'ble National Company Law Tribunal, Ahmedabad.
- 1.6 **'Transferee Company' or 'ARFIN'** shall mean Arfin India Limited, a Company incorporated under the Act, having its registered office at B-302, 3rd Floor, Pelican House, Near Natraj Cinema, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad-380 009. The Company is engaged in the business of manufacturing Aluminium Products, Auto & Cored Wire Products.
- 1.7 **'Transferor Company' or 'MALCO'** shall mean Mahendra Aluminium Company Limited, a company incorporated under the Act, having its registered office at B-302, 3rd Floor, Pelican House, Near Natraj Cinema, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad-380009. The Company is engaged in manufacturing Aluminium Products and trading in Aluminium scrap.
- 1.8 **'Tribunal'** means the National Company Law Tribunal or any other judicial forum prescribed under the provisions of the Companies Act, 2013 for approving any Scheme of arrangement, compromise or reconstruction of companies under sections 230 to 240 of the Companies Act, 2013.
- 1.9 **'Undertaking of Transferor Company'** shall mean and include:-
 - a) All the assets and properties of the Transferor Company as on the Appointed Date.
 - b) All the debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date.

- c) Without prejudice to the generality of Sub-clause (a) above the undertaking of the transferor company shall include all the transferor company' reserves, provisions, funds, moveable and immovable properties, assets including investments, claims, powers, authorities, authorized capital, allotment, approvals, consents, registrations, contracts, enactments, deferred income, arrangements, rights, titles, interest, benefits, advantages, lease-hold rights and other intangible rights, industrial and all licenses, permits, pre & post authorizations, quota, rights, trade marks, patents, brands, secret formulae, drawings, research rights and other industrial intellectual properties, imports, telephone/facsimile/telex and other communication facilities, Electrical Connections, non conventional devices and equipments including Computers, Hardwares, Softwares, and other electronic equipments and instruments, system of any kind whatsoever, rights and benefits of all agreements and other interests including rights & benefits under various schemes of different Taxation Laws as may belong to or be available to the Transferor Company, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, awards of Arbitrators if any and approval of whatsoever nature and wheresoever situated, belonging to or in ownership, power or possession or control or entitlement of the Transferor Company.

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning as ascribed to them under the Act and other applicable laws, Articles of Association, rules, regulations, bye-laws, as the case may be, or any statutory modifications or re-enactment thereof from time to time.

2. RATIONALE AND OBJECTIVES OF THE SCHEME OF Amalgamation

With a view to rationalize and consolidate the business activities of the Companies, the present Scheme is proposed. The proposed merger of MALCO with ARFIN will benefit both the Companies in the following manner:-

- a) The merger will consolidate the business activity and will lead to greater efficiency in the overall business and achieve integration of the business operations as well as synergy benefits through combined operations of both the entities.
- b) Since the products of both the companies are similar in nature, the contemplated merger will lead to economies of scale which in turn will promote cost efficiency by means of reduction in administrative overheads, reduction in multiplicity of legal and regulatory compliances, and help run the business more effectively and economically resulting in better utilization of resources.
- c) The proposed amalgamation will contribute in fulfilling and furthering the objects of the companies. It will strengthen, consolidate and stabilize the business of these companies and will facilitate further expansion and growth of their business.
- d) The proposed amalgamation shall improve the efficiency in cash management, organizational capability from pooling of human capital having skill, talents and vast experience and thereby increase competitiveness in the industry.
- e) The Transferee Company will have benefit of the combined assets and man-power of both the companies. The combined resources will enhance its capability to expand and increase its market share more effectively.
- f) The proposed amalgamation will create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors and all persons connected with the companies.

3. SHARE CAPITAL

3.1 The Authorised, Issued, Subscribed and Paid-up share capital of the Transferee Company as on March 31, 2017 is as under:

Particulars	Amount (INR)
Authorised Share Capital	
1,10,00,000 equity shares of face value of INR 10/- each	11,00,00,000
TOTAL	11,00,00,000
Issued, subscribed and paid-up share capital	
40,51,157 fully paid-up equity shares of face value of INR 10/- each	4,05,11,570
TOTAL	4,05,11,570

3.2 The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company as on March 31, 2017 and as on date is as under:

Particulars	Amount (INR)
Authorised share capital	
15,00,000 equity shares of face value of INR 10/- each	1,50,00,000
TOTAL	1,50,00,000
Issued, subscribed and paid-up share capital	
11,85,000 fully-paid up equity shares of face value of INR 10/- each	1,18,50,000
TOTAL	1,18,50,000

4. TRANSFER AND VESTING OF UNDERTAKING

4.1 With effect from the Appointed Date and subject to the provisions of this scheme in relation to the mode of transfer and vesting, the Undertaking of the Transferor Company shall, without any further act or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company pursuant to the provisions of section 232 and other applicable provisions of the Act.

4.2 With effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act and in relation to the mode of transfer and vesting, all the assets and properties, rights, claims, title, interest, hereditaments and authorities including accretions and appurtenances thereto such as dividends, or other benefits of any nature received of the Transferor Company shall, without any further act, instrument or deed, be and the same shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, rights, titles, hereditaments and interests and authorities including accretions and appurtenances thereto such as dividends, or other benefits receivable by that of the Transferee Company.

4.3 With effect from the Appointed Date, and subject to the provisions of this Scheme, all the debts, liabilities, duties and obligations of the Transferor Company, shall also be and shall stand transferred or deemed to have been transferred without any further act, instrument or deed to the Transferee Company, pursuant to the provisions of Section 232 of the Act, so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

4.4 Without prejudice to the generality of Clause 4.1 above, the undertaking of the Transferor Company shall mean and include inter alia all the relatable properties and assets including land and buildings, plant and machinery, vehicles, current assets, cash and bank balances, stock-in-trade, work-in-progress, goodwill and other intangibles, investments, rights, titles, interests, powers, authorities, licenses, contracts, pending Arbitration proceeding tax deducted at source by vendors/ banks/ and receivable by the said company as reflected in Form 26AS on NSDL Income Tax Website as well as those evidences by the valid TDS

certificate and other Tax Credits and registrations of whatsoever nature including, without being limited to all patents, trademarks, trade names, know-how and other intellectual property rights of whatsoever nature and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use of telephone, telexes, fax machines, e-mail, internet, electricity connections, utilities and other services etc. (hereinafter collectively referred to as "the said assets") pertaining to the undertaking of the Transferor Company.

(a) It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Section 232 of the Act.

(b) In respect of such of the said assets other than those referred to in sub para (a) above, the same shall, as more particularly provided in sub-clause 4.4 above, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 232 of the Act.

4.5 Loans or other obligations, if any, due or outstanding inter se between the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability, relating either to principal or to interest after the Appointed Date, in respect of such loans and other obligations.

4.6 With effect from the Appointed Date, all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, credits, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, or goods and service tax, as applicable excise duty, wealth tax, fringe benefit tax and tax collected at source, etc.) payable by or refundable to or being the entitlement of the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/ credits/ claims, as may be of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, tax holidays, remissions, reductions as would have been available to the Transferor Company. Benefit of tax losses including brought forward business losses, unabsorbed depreciation etc. of Transferor Company shall be available to Transferee Company w.e.f. Appointed Date in terms of Section 72A of Income Tax Act, 1961.

4.7 The Transferee Company shall be entitled to file/ revise their statutory returns and related tax payment certificates and to claim refunds, advance tax credits etc. as may be required consequent to the implementation of the Scheme.

4.8 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writing as may be necessary to execute in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company as the case may be and to implement or carry out all such formalities or compliances as are required to be carried out or performed by the Transferor Company under any loan agreements or contracts or otherwise.

4.9 For the avoidance of doubt and without prejudice to the generality of the forgoing, it is clarified that upon coming into effect of the scheme, all consents, permissions, licenses, certificates, forms, clearances, authorities, powers of attorneys given/issued to executed in favour of the Transferor Company shall without any further Act or deed, stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and the duties there under and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approval from the concerned governmental authorities as may be necessary in this behalf.

5. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 5.1 Subject to all the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which any of the Transferor Company are parties or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Appointed Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if, instead of the said Transferor Company, the Transferee Company had been a party or beneficiary thereto.
- 5.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, writings or confirmations or enter into a tri-partite arrangement, confirmation or novation to which the respective Transferor Company will, as may be necessary also be a party in order to give formal effect to this Clause if so required or become necessary. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

6. LEGAL PROCEEDINGS

If any suit, petition, appeal, revision or other proceedings of whatsoever nature including Arbitration Proceeding (hereinafter called "the proceedings") by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in the Scheme, but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. Upon sanction of the Scheme, the Transferee Company shall and may initiate any legal proceedings for and on behalf of the Transferor Company or either of them as the case may be in its own name.

7. OPERATIVE DATE OF THE SCHEME

The Scheme, set out herein in its present form or with any modification(s) approved or imposed or directed by Hon'ble National Company Law Tribunal, shall be effective from the Appointed Date.

8. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen or other employees in the service of the Transferor Company immediately preceding the date of sanction of the Scheme continuing from the appointed date, shall become the staff, workmen and employees of the Transferee Company on the basis that:-

- 8.1 Their services shall be deemed to have been continuous and not have been interrupted by reason of the said transfer.
- 8.2 The terms and conditions of service applicable to such staff, workmen or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer date.
- 8.3 The Transferee Company shall not vary the terms and conditions of the service of its staff, workmen and employees except in the ordinary course of business.
- 8.4 It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company is concerned, upon the Scheme becoming effective, the Transferee Company shall (to the extent of the services of the Transferred Employees) stand substituted for the Transferor Company for all purposes whatsoever relating to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the terms provided in the respective Trust Deeds. It is the aim and intent that all the rights,

duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees of the Transferor Company under such Funds and Trusts shall be protected. It is clarified that the services of the employees of the Transferor Company will also be treated as having been continuous and shall not be treated as having been broken for the purpose of the aforesaid Funds or provisions.

9. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL THE DATE OF SANCTION OF THE SCHEME

With effect from the Appointed Date and upto the date of sanction of the Scheme:

- 9.1 The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the said assets for and on account of and in trust for the Transferee Company.
- 9.2 All the profits or incomes accruing to the Transferor Company or losses or expenditure arising or incurred by it shall, for all purposes, be treated as the profits or incomes or losses or expenditure of the Transferee Company as the case may be.
- 9.3 The Transferor Company shall carry on its business activities, with reasonable diligence, business prudence and shall not, without the written consent of Board of Directors of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with the said assets or any part thereof except in the ordinary course of their business except pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date.
- 9.4 The Transferor Company shall not, without the written consent of the Board of Directors of the Transferee Company, undertake any new business.
- 9.5 The Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business and with the mutual consent of the Board of Directors of the Transferee Company.
- 9.6 The Transferor Company shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure without the written consent of the Board of Directors of Transferee Company.
- 9.7 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and other related agencies, departments and other authorities concerned as are necessary under any law for such consents, licenses, permissions, approvals and sanctions which the Transferee Company may require to own and operate the businesses of the Transferor Company.

10. CONSIDERATION

- 10.1 Upon this Scheme becoming effective, and in consideration for the transfer and vesting of the entire undertakings of the Transferor Company with the Transferee Company, the Transferee Company, shall, without any further application or deed, but subject to necessary approvals, if any, being granted, issue and allot fully paid up Equity Shares to the shareholders of the Transferor Company, holding fully paid up equity shares in the Transferor Company, (whose names appear in the Register of Members of the Transferor Company on the Record Date, or his/her heirs, executors, administrators or successors-in-title, as the case may be), as under:

“31 (Thirty One) Equity Shares of the face value of Rs. 10/- each as fully paid up of the Transferee Company for every 100 (Hundred) Equity Shares of the face value of Rs 10/- each held in the Transferor Company (Hereinafter, equity shares to be issued to the shareholders of Transferor Company are referred to as “New Equity Shares”).”

- 10.2 In case any member's shareholding in the Transferor Company is such that on the basis of the aforesaid exchange ratio of shares, the member is entitled to a fraction of New Equity Share which exceeds one-half share, such member shall, in lieu of such fraction, be entitled to receive allotment of one New Equity Share of the Transferee Company. On the other hand, if the shareholding of any member in the Transferor Company is such that on the basis of the aforesaid exchange ratio of shares, the member is entitled to a fraction of New Equity Share which is less than or equal to one-half share, then such fraction shall be ignored and such member shall not be entitled to receive any New Equity Share of the Transferee Company in lieu of such fraction.
- 10.3 The New Equity Shares of the Transferee Company to be issued pursuant to this Scheme shall rank pari passu with the existing equity shares of the Transferee Company.
- 10.4 The issue and allotment of New Equity Shares by the Transferee Company, to the shareholders of the Transferor Company as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62 of the Companies Act, 2013 and any other applicable provisions of the Act were duly complied with.
- 10.5 The New Equity Shares issued in terms of the Scheme shall, in compliance of the applicable regulations, be listed and/or admitted to trading on BSE Limited where the equity shares of Transferee Company are listed and admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of BSE Limited. The New Equity Shares allotted pursuant to this Scheme shall remain frozen in the depository system till the relevant directions in relation to listing/trading are provided by BSE Limited.
- 10.6 Upon this Scheme becoming effective, all the Shareholders of the Transferor Company who exercise the option to receive shares in dematerialized form, shall be issued new shares of Transferee company in dematerialized form, provided all details relating to their depository account with the depository participant are made available to Transferee company, who shall issue and directly credit the dematerialized securities account of such Shareholder with the equity shares of Transferee company and all the shareholders of the Transferor company holding shares in physical form, if so required by Transferee Company shall surrender their share certificates for cancellation thereof to Transferee company.
- 10.7 In terms of the provisions of Listing Regulations and other applicable SEBI Regulations, including any Circular issued therein, New Shares to be issued pursuant to this Scheme to the Promoters of the Transferor Company, may be placed, to the extent applicable under lock-in by the Stock Exchange or SEBI/ any other competent authority. However, the Promoters may enter into inter-se transfer amongst themselves during such lock-in period.
- 10.8 The Transferee Company shall take necessary steps to increase or alter, to the extent required, its Authorized Share Capital suitably to enable it to issue and allot the New Equity Shares pursuant to this Scheme.
- 11. ACCOUNTING TREATMENT OF ASSETS, LIABILITIES AND RESERVES OF THE TRANSFEROR COMPANY**
- On the Scheme becoming effective, the Transferee Company shall account for the amalgamation, in its books with effect from the Appointed Date, in accordance with the Purchase method prescribed under Accounting Standard 14 (Accounting for Amalgamations), notified under the Companies Accounting Standards Rules and/or any other Act for the time being in force as mentioned in Sec. 133 of the Act, as under:
- 11.1 All the assets and liabilities of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values.

- 11.2 The Transferee Company shall credit to the Share Capital Account in its books of account, the aggregate face value of the New Equity Shares issued and allotted under the Scheme to the equity shareholders of the Transferor Company pursuant to this Scheme.
- 11.3 The amount of any inter-company balances and investments shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the amounts so cancelled shall not be recorded in the books of account of the Transferee Company.
- 11.4 The difference arising after giving effect to clause 11.1, 11.2 and 11.3 above shall be credited to capital reserve, in case there being an excess or debited to Goodwill Account in case there being a shortfall.
- 11.5 In case of any difference in the accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted against the Profit & Loss Account of the Transferee Company to ensure that the financial statements of the Transferee Company and Transferor Company reflect the financial position on the basis of consistent accounting policy.
- 12. ALTERATIONS/AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY**
- 12.1 **Capital Clause:**
Upon coming into effect of the Scheme, the Authorized Share Capital of:
(a) Transferor Company of Rs. 1,50,00,000/- or such amount as may be on the date of sanction of the scheme, shall be added to the Authorized Share Capital of the Transferee Company, without any further act or deed and without any further payment of the stamp duty or the registration fees.
- 12.2 Consequent upon the addition of the authorized capital of the Transferor Company in the authorized capital of the Transferee Company, Clause V of the Memorandum of Association of the Transferee Company shall be replaced as under:-
"The Authorised Share Capital of the Company is Rs. 12,50,00,000/- (Rupees Twelve Crores Fifty Lakhs Only) divided into 1,25,00,000 (One Crore Twenty Five Lakhs) Equity Shares of Rs. 10/- each."
- 12.3 Under the accepted principle of Single Window Clearance, it is hereby provided that the above referred change, viz. Change in the Capital Clause shall become operative on the scheme being effective by virtue of the fact that the Shareholders of the Transferee Company, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under Sections 17/13, 94/61 and 97/64 of the Companies Act, 1956/2013 or any other provisions of the Act and shall not be required to pass separate resolutions as required under the Act.
- 13. DISSOLUTION OF THE TRANSFEROR COMPANY:**
Upon the Scheme being sanctioned as aforesaid, the Transferor Company shall stand dissolved without winding up on sanction of the Scheme by an order made by the Hon'ble National Company Law Tribunal under Section 232 of the Act without any further act.
- 14. APPLICATIONS TO THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL**
The Transferor Company and the Transferee Company hereto shall, with all reasonable dispatch, make applications under Sections 230 and 232 of the said Act to the Hon'ble National Company Law Tribunal for sanctioning this Scheme of Amalgamation and for dissolution of the Transferor Company without winding up in accordance with the provisions of the Act and the Rules of the Hon'ble Tribunal.
- 15. MODIFICATIONS / AMENDMENTS TO THE SCHEME**
- 15.1 The Board of Directors of the Transferor Company and/ or the Transferee Company may pass appropriate resolution(s) to make any modification/amendment to the Scheme as may be deemed necessary or which may be directed to be so done by the Hon'ble National Company Law Tribunal and/or any other authorities under the law or which may be found

to be otherwise desirable for settling any question, doubt or difficulties that may arise for implementing and/or carrying out the Scheme and may do all such acts, deeds, matters and things as may be necessary, desirable or expedient for putting the Scheme into effect.

- 15.2 For the purpose of giving effect to the Scheme or to any modification thereof, the Board of Directors of the respective Transferor Company and/or the Transferee Company are hereby authorized to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

16. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional on and subject to the following approvals:-

- 16.1 The approval to the Scheme by the requisite majority of the members and Creditors, as may be applicable in case of the respective companies.
- 16.2 The approval from the shareholders of the Transferee Company to be obtained through e-voting in terms of Para 9 (a) and (b) of Annexure I of SEBI Circular No. CFD/ DIL3/ CIR/ 2017/21 dated March 10, 2017, as may be amended from time to time, provided that the same shall be acted upon only if the votes cast by public shareholders in favour of the Scheme are more than the votes cast by public shareholders against it;
- 16.3 The sanction of the Hon'ble National Company Law Tribunal under Sections 230 and/ or 232 of the said Act, in favour of the Transferor Company and the Transferee Company and to the necessary Order or Orders under Section 232 of the said Act, being obtained.

17. SAVING OF CONCLUDED TRANSACTIONS

The Transfer of undertaking under Clause 4 above and the continuance of proceedings by or against the Transferor Company above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the date of sanction of the Scheme, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

18. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this scheme and/or incidental to the completion of the said Amalgamation of the said Undertaking of the Transferor Company in pursuance of this Scheme, whether identifiable or not with respective Transferee and Transferor Companies, shall be borne and paid by the Transferee Company alone.

19. MISCELLANEOUS PROVISIONS

- 19.1 The Scheme, shall operate and be effective from the Appointed Date even though the date of filing of the copy of the Order (s) received from the Hon'ble National Company Law Tribunal with the Registrar of Companies, Gujarat upon sanction of the Scheme by the Hon'ble National Company Law Tribunal may be subsequent.
- 19.2 Until the scheme is sanctioned, the Transferor Company and the Transferee Company, shall continue to hold their Annual General Meeting and other meetings in accordance with the relevant laws and shall continue to comply with all their statutory obligations.



May 20, 2017

To,
The Board of Directors,
Arfin India Limited
B 302, 3rd Floor, Pelican House,
Near Natraj Cinema,
Gujarat Chamber of Commerce Building,
Ashram Road,
Ahmedabad – 380 009

Subject: Recommendation of fair equity share exchange ratio for the Proposed Scheme of Amalgamation between Mahendra Aluminum Company Limited & Arfin India Limited

Arfin India Limited (hereinafter referred to as 'ARFIN', 'the Transferee Company', 'you', 'your'), has appointed Sandip Desai & Co. (hereinafter referred to as 'Sandip Desai & Co.', 'the Valuer' 'we', 'our') to recommend a fair exchange ratio of equity shares for the Proposed Amalgamation of Mahendra Aluminum Company Limited with Arfin India Limited (hereinafter referred to as 'MALCO' and 'ARFIN' respectively and together as 'the Companies') based on the discussions that we have had with information that we have received from, the managements of the Companies ('Managements') from time to time.

DISCLAIMER AND LIMITATIONS

This Share Exchange Ratio Report is prepared by Sandip Desai & Co., Chartered Accountants under an engagement letter from Arfin India Limited on the basis of information, documents, papers and explanations given by the management, officers and staff of the Companies to Sandip Desai & Co.

In preparing the Share Exchange Ratio Report, Sandip Desai & Co. has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data (which shall include, but not be limited to historical financial information, financial projections or forward looking statements that have a bearing on financial information) provided by the Companies. Sandip Desai & Co. has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information. Actual performance, results of operations or facts may differ from management certified projected financial information or forward looking statements.

Our work does not constitute an audit or certification or due diligence of the past financials of the Companies and we have relied upon the information provided to us by the Companies as regards such working results.

Publicly available information deemed relevant for the purpose of the analysis contained in the Share Exchange Ratio Report has also been used.

Sandip Desai & Co. has not provided any accounting, tax or legal advice to Companies. Share Exchange Ratio Report should not be construed as investment advice or any form of recommendation either for making or divesting investment in the Company. The Companies are assumed to be in compliance with all the laws applicable to them.

All the workings for the valuation are made to the nearest two decimal points.

SOURCES OF INFORMATION

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



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1. Salient Features of the Proposed Scheme of Amalgamation;
2. Audited Financial Statements of MALCO for the year ended on March 31, 2015, March 31, 2016 and March 31, 2017;
3. Audited Financial Statements of ARFIN for the year ended on March 31, 2015, March 31, 2016 and March 31, 2017;
4. Brief History, Present Activities, Business Profile, Shareholding Pattern of the Companies;
5. Projections of the future profitability, Cash Flow and Balance Sheet of MALCO up to March 31, 2021 as prepared and certified by management of the Company;
6. Such other information and explanations as required and which have been provided by the management of the Company, which were considered relevant for purpose of carrying out this Valuation assignment.
7. Other relevant information and documents for carrying out this valuation exercise.

BRIEF BACKGROUND OF THE COMPANIES

A. ARFIN INDIA LIMITED

Arfin India Limited (ARFIN), bearing Corporate Identification Number (CIN) L65990GJ1992PLC017460, is a listed public limited company incorporated on April 10, 1992, registered with the Registrar of Companies, Ahmedabad and is having the registered office at B 302, 3rd Floor, Pelican House, Near Natraj Cinema Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad - 380 009, Gujarat, India. ARFIN is engaged in the business of manufacturing Aluminum Products, Auto & Cored Wire Products.

Equity Shares of the Company are listed on BSE Limited. Script ID: 539151

Shareholding Pattern as on March 31, 2017:

Particulars	No of Shares	Shareholding (%)
Promoters & Promoter Group	29,44,257	72.68%
Public	11,06,900	27.32%
Total	40,51,157	100%

B. MAHENDRA ALUMINUM COMPANY LIMITED

Mahendra Aluminum Company Limited (MALCO), bearing Corporate Identification Number (CIN) U65910GJ1995PLC025589, is an unlisted public limited company incorporated on April 25, 1995, registered with the Registrar of Companies, Ahmedabad and is having the registered office at B 302, 3rd Floor, Pelican House, Near Natraj Cinema Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad, Gujarat, India - 380009. MALCO is a company held largely by the promoter group of ARFIN, engaged in the business of manufacturing Aluminum Products and trading in Aluminum scrap.

Shareholding Pattern as on March 31, 2017:

Particulars	No of Shares	Shareholding (%)
Promoters & Promoter Group	10,65,000	89.87%
Public	1,20,000	10.13%
Total	11,85,000	100%

VALUATION APPROACH

The Proposed Amalgamation contemplates the Amalgamation pursuant to a Scheme of Arrangement. Arriving at the fair equity share exchange ratio for the Proposed Amalgamation of MALCO with ARFIN would require determining the fair values of each company. These values are to be determined independently but on a relative basis, and without considering the effect of the Proposed Amalgamation.





As per SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, The issuance of shares under schemes in case of allotment of shares only to a select group of shareholders or shareholders of unlisted companies pursuant to such schemes shall follow the pricing provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as "the ICDR Regulations").

As per Regulation 71A of ICDR Regulations, frequently traded shares means shares in which the traded turnover on any stock exchange during the twelve calendar months preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer the shares. In case of ARFIN, traded turnover on the recognised stock exchange during last twelve calendar months is greater than ten per cent of the total number of shares of the company. Hence, shares of the company are frequently traded.

Accordingly, valuation of shares of Arfin India Limited will be in compliance with the pricing formula provided in Regulation 76 of ICDR Regulations, which is reproduced hereunder:

If the equity shares of the issuer have been listed on a recognised stock exchange for a period of twenty six weeks or more as on the relevant date, the equity shares shall be allotted at a price not less than higher of the following:

- a) *The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or*
- b) *The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date (Regulation 76)*

There are several methods of valuation, which are recognized as sound methods for arriving at the fair market value of the equity shares of the Companies. It is beyond doubt that no single method can be competently used in all situations.

Several factors will have to be factored in before one arrives at the decision of using one or more methods of valuation. Some indicative illustrations are as under:

1. The nature of the business and the history of the enterprise from its inception.
2. History of asset creation and change in its market value as compared to book value.
3. Intangible assets either on or off the Balance Sheet.
4. Objective for which the valuation is carried out.
5. Comparison of profitability of the company inter-se and with industry average.

VALUATION OF EQUITY SHARES UNDER DIFFERENT APPROACHES

■ COST APPROACH

The asset based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. The Cost Approach ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern.

This valuation approach is mainly used in case where the firm is to be liquidated i.e. it does not meet the "going concern" criteria or in case where the assets base dominate earnings capability. The operating assets have therefore been considered at their book values.

Net Assets is the excess of all assets of company over its liabilities to outsiders as shown in the Balance Sheet.





▪ **INCOME APPROACH**

A. PROFIT EARNING CAPACITY VALUE METHOD

Under this method, the average of profits after tax of the past years is capitalized at an appropriate rate to arrive at value of shares. The crux of estimating the profit-earning capacity value lies in the assessment of the future maintainable earnings of the business. While the past trends in profits and profitability would serve as a guide, it is not to be overlooked that the purpose of valuation is to arrive at the future post tax maintainable stream of earnings. All relevant factors that have a bearing on the future maintainable earnings of the business must, therefore, be given due consideration.

Method of computation of average profits:

Ordinarily, the averaging of profits will be worked out for the past three accounting years for which audited accounts are available. But in appropriate cases, e.g., where the capital base of the company or the profits show erratic variation or where the premium involved is substantial or the industry concerned is subject to cyclical trends a weighted average of the profits after tax will be considered.

If the year-to-year variation in the profits of the last three years is considered to be normal, the average may be calculated on the basis of a simple arithmetical average. But if the profits are rising consistently from year to year at a steady ratio and there are reasons to believe that the rising trend will be maintained into the future, the average may be calculated on a weighted basis giving a weightage of 3 for the latest year, 2 for the middle year and 1 for the farthest year. Conversely, if the profits are declining consistently from year to year, it would be advisable to consider the profits of only the latest year since any average-simple or weighted- will result in a higher figure than the profits of the latest year which is inconsistent with the situation of consistently declining profits. Here also, it would be prudent to look into the accounts of the last 5 years to make a judgment on the trend in profits.

Capitalization Rate:

The erstwhile CCI Guidelines prescribed capitalization rates for different class of companies. The guidelines categorized the capitalization rate under three broad categories viz. Manufacturing Companies, Trading Companies and Intermediate Companies. The rates prescribed were:

1. 15% in the case of manufacturing companies / service providers
2. 20% in the case of trading companies and
3. 17 ½% in the case of "intermediate companies", that is to say, companies whose turnover from trading activity is more than 40%, but less than 60% of their total turnover.

B. DISCOUNTED CASH FLOWS (DCF) METHOD

Under this method, the value of equity share of the Company is arrived at by analyzing the historical trends and the future financial projections of the Company. This method takes into account the future potential earnings of the Company and profitability of the Company. It discounts the future earning potential of the Company and arrives at the possible market price of the Company on the present day.

The Discounted Free Cash Flow Method is one of the most rigorous approaches to valuation of business. In this method, the projected free cash flows from business operations are discounted at the weighted average cost of capital and sum of such discounted free cash flows is the value of the business.

Use of Discounted Free Cash Flows method involves determining the following:





- Estimated future cash flows
- Number of years cash flows used in the study
- Appropriate Discount Rate to be applied to cash flows
- The continuing value i.e. the cumulative value of the free cash flows beyond the explicit forecast period.
- Value of Debt, if any.

The value of the firm is obtained by discounting expected cash flows to the firm, i.e., the residual cash flows after meeting all operating expenses, reinvestment needs and taxes, but prior to any payments to either debt or equity holders, at the weighted average cost of capital, which is the cost of the different components of financing used by the firm, weighted by their market value proportions.

$$\text{Value of Firm} = \sum_{t=1}^{t=n} \frac{\text{CF to Firm}_t}{(1+WACC)^t}$$

Where,

CF to Firm= Expected Cash flow to Firm in period t

WACC = Weighted Average Cost of Capital

The weighted average cost of capital is the discount factor used to arrive at the value of the firm. Discounting free cash flow to the firm at the cost of capital will yield the value of operating assets of the firm. To arrive at the firm value, the value of non-operating assets will also have to be added. Non-operating assets include cash, marketable securities and holdings in other companies.

Terminal value is the present value at a future point in time of all future cash flows when we expect stable growth rate forever. To arrive at the terminal value, the Perpetuity Growth Model is used which accounts for the value of free cash flows that continue into perpetuity in the future, growing at an assumed constant rate. Here, the projected free cash flow in the first year beyond the projection horizon (N+1) is used. This value is divided by the discount rate minus the assumed perpetuity growth rate. $T_0 = FCF_{N+1} / (k - g)$. T_0 is the value of future cash flows at a future point in time which is immediately prior to N+1, or at the end of period N, which is the final year in the projection period, k being the discount rate and g being the perpetual growth rate. This equation is a perpetuity, which uses a geometric series to determine the value of a series of growing future cash flows.

■ MARKET APPROACH

Under Market approach, the valuation is based on the market value of the company in case of listed companies. The Market approach generally reflects the investors' perception about the true worth of the company.

MARKET PRICE METHOD

This method evaluates the value on the basis of prices quoted on the stock exchange(s). Average of quoted price is considered as indicative of the value perception of the company by investors operating under free market conditions. The average of such Market Prices could be taken on a simple or weighted average basis taking into consideration the value and the volumes of the transactions taken place on the stock exchange.

This method is important for the Valuer as the secondary Equity Market is not only a reflection of the fair value of the Company, but also of the other market information to know the perception of the market prevailing during the span of time for which the price of the share is evaluated.

Under this method of valuation, calculation is done based on the average of weekly high lows of volume weighted market price of shares of a company for a period of 26 weeks from the date for which the valuation is to be arrived at.





In compliance of SEBI Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and on the basis of pricing formula prescribed under Regulation 76 of ICDR Regulations, the volume –weighted average market price, the value per share of the company shall be higher of the following:

- i) *The average of the weekly high and low of the volume weighted average price of the related equity shares quoted on the recognised stock exchange during the twenty six weeks preceding the relevant date; or*
- ii) *The average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognised stock exchange during the two weeks preceding the relevant date.*

Accordingly, value per share of Arfin India Limited is **Rs.496.95**. (Source: Market prices of last 26 weeks from May 20, 2017 taken from the website of BSE Limited i.e. www.bseindia.com)

▪ **BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO**

The fair exchange ratio of equity shares has been arrived at on the basis of a fair equity valuation of the companies and is based on the various methodologies explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations.

Though different values have been arrived at under each of the above methodologies, for the purpose of recommending a fair exchange ratio of equity shares, it is necessary to arrive at a single value for the shares. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the Companies but at their relative values to facilitate the determination of a fair equity share exchange ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology. We have given weights to the values arrived at under different methodologies, based on the evaluation and judgement of the business of the companies, in order to arrive at the relative values of the equity shares.

CONCLUSION

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following fair equity share exchange ratio of equity shares for the Proposed Amalgamation:

"31 (Thirty One) equity share of ARFIN of Rs.10/- each fully paid up for every 100 (Hundred) equity shares of MALCO of Rs. 10/- each fully paid up."

For Sandip Desai & Co.
Chartered Accountants
FRN: 111812W

Sandip Desai

Sandip Desai
Partner

Membership Number:44872



May 20, 2017

To,
The Board of Directors,
Arfin India Limited
B 302, 3rd Floor, Pelican House,
Near Natraj Cinema,
Gujarat Chamber of Commerce Building,
Ashram Road, Ahmedabad - 380 009

Subject: Fairness Opinion on the report of Sandip Desai & Co., Chartered Accountants, Ahmedabad with respect to the proposed amalgamation of Mahendra Aluminum Company Limited into Arfin India Limited

Dear Sirs,

We, Vivro Financial Services Private Limited ('Vivro', 'we', 'us', 'our'), refer to our engagement letter dated December 15, 2016 whereby Arfin India Limited (hereinafter referred to as 'ARFIN' the Transferee Company, 'You', 'Your') has appointed us as an Independent Merchant Banker for furnishing a "Fairness Opinion" on the valuation carried out by Sandip Desai & Co., Chartered Accountants, Ahmedabad, ("Valuer"), vide its Valuation Report dated May 20, 2017 pursuant to the proposed Scheme of Amalgamation of Mahendra Aluminum Company Limited (hereinafter referred to as 'MALCO', 'the Transferor Company') with Arfin India Limited pursuant to sections 230 - 232 of the Companies Act, 2013.

1. SOURCES OF INFORMATION

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

1. Memorandum and Articles of Association of ARFIN and MALCO;
2. Audited Financial Statements of ARFIN and MALCO for the year ended on March 31, 2015, March 31, 2016 and March 31, 2017;
3. Valuation Report prepared by Sandip Desai & Co., Chartered Accountants, Ahmedabad, dated May 20, 2017 for the purpose of ascertaining share exchange ratio for the proposed Scheme of Amalgamation of ARFIN and MALCO;
4. Draft Scheme of Arrangement in nature of Amalgamation of MALCO into ARFIN;
5. Shareholding Pattern of both the Companies as on March 31, 2017 as well as the proposed shareholding pattern after considering the effect of the proposed scheme of amalgamation;
6. Financial Projections of MALCO from April 1, 2017 to March 31, 2021 duly certified by the Management of MALCO;
7. Details of Market Price and trading volume of Equity Shares of ARFIN on BSE;
8. Such other information and explanations as required and which have been provided by the management of the Companies, which were considered relevant for purpose of carrying out this assignment.



2. BACKGROUND OF COMPANIES

❖ ARFIN INDIA LIMITED - TRANSFEREE COMPANY

Arfin India Limited is a public limited company incorporated on April 10, 1992 under the Companies Act, 1956 having its registered office situated at B 302, 3rd Floor, Pelican House, Near Natraj Cinema Gujarat Chamber of Commerce Building, Ashram Road Ahmedabad - 380 009. ARFIN is engaged in the business of manufacturing Aluminum Products, Auto & Cored Wire Products.

The Equity Shares of the Company are listed on BSE Limited. The Equity Shares are frequently traded on BSE Limited.

Financial Performance of ARFIN:

₹ in Lakhs			
Particulars	2017A	2016A	2015A
Total Revenue	34,471.64	27,321.71	25,094.07
Profit Before Tax	2,052.58	1,000.66	705.31
Profit After Tax	1,301.77	660.98	467.13
Shareholders' Funds	5,388.95	2,377.20	1,770.71

Board of Directors of ARFIN:

Sr. No.	Names of Directors	Designation
1.	Jatin Mahendrakumar Shah	Managing Director
2.	Mahendrakumar Rikhavchand Shah	Chairman & Whole Time Director
3.	Pushpa Mahendra Shah	Executive Director
4.	Bherulal Lalchand Chopra	Additional Independent Director
5.	Dilip Kumar Daga	Independent Director
6.	Shantilal Mehta	Independent Director

Shareholding Pattern as on March 31, 2017:

Particulars	No of shares	Shareholding (%)
Promoters & Promoter Group	29,44,257	72.68%
Public	11,06,900	27.32%
Total	40,51,157	100%

❖ MAHENDRA ALUMINUM COMPANY LIMITED - TRANSFEROR COMPANY

MALCO is a Public Company incorporated on April 25, 1995 under the Companies Act, 1956. It is an unlisted public limited company having its registered office at B 302, 3rd Floor, Pelican House, Near Natraj Cinema Gujarat Chamber of Commerce Building, Ashram Road Ahmedabad - 380 009. MALCO is engaged in the business of manufacturing Aluminum Products and trading in Aluminum scrap.



Financial Performance of MALCO:

₹ in Lakhs

Particulars	2017A	2016A	2015A
Total Revenue	10,616.94	7,488.98	7,7720.57
Profit Before Tax	205.43	56.87	123.59
Profit After Tax	132.99	39.06	83.08
Shareholders' Funds	685.76	552.77	513.71

Board of Directors of MALCO:

Sr. No.	Names of Directors	Designation
1.	Jatin Mahendrakumar Shah	Director
2.	Mahendrakumar Rikhavchand Shah	Director
3.	Pushpa Mahendra Shah	Additional Director

Shareholding Pattern as on March 31, 2017:

Particulars	No of shares	Shareholding (%)
Promoters & Promoter Group	10,65,000	89.87%
Public	1,20,000	10.13%
Total	11,85,000	100%

3. DISCLAIMER & LIMITATIONS

This Fairness Opinion Report is prepared by Vivro under an engagement letter from Arfin India Limited on the basis of information, documents, papers and explanations given by the management, officers and staff of the Companies to Vivro.

In preparing the Fairness Opinion Report, Vivro has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data (which shall include, but not be limited to historical financial information, financial projections or forward looking statements that have a bearing on financial information) provided by the Companies. Vivro has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information. Actual performance, results of operations or facts may differ from management certified projected financial information or forward looking statements.

Our work does not constitute an audit or certification or due diligence of the past financials of the Companies and we have relied upon the information provided to us by the Companies as regards such working results.

Vivro has not conducted any independent valuation or appraisal of any of the assets or liabilities of the Company. As implied by the financial statements, Companies are assumed to have the



legal rights to the assets and be subject to those claims represented by the liabilities presented in their financial statements respectively. No investigation was undertaken to confirm these legal rights or claims.

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

Vivro has not provided any accounting, tax or legal advice to Companies. This Fairness Opinion Report should not be construed as investment advice or any form of recommendation either for making or divesting investment in the Company. The Companies are assumed to be in compliance with all the laws applicable to them.

This report does not constitute a solvency opinion or an investment recommendation and should not be construed as such.

This Fairness Opinion Report is furnished on strictly confidential basis. This report was prepared for the purpose stated in this report and may not be used for any other purpose. This report, its contents, and its conclusions may not be referred to or quoted, in whole or in part, in any registration statement, prospectus, public filing, loan agreement or other document without the prior approval of Vivro. The analysis and the report are not intended for general circulation or publication; they are not to be reproduced or distributed except for the stated purpose of the valuation.

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

The Fairness Opinion Report is necessarily based on various factors and conditions as of the date of report, and the written and oral information made available to us until date hereof. It is understood that subsequent developments may affect the conclusions of this report and Vivro has no obligation to update, revise or reaffirm the fairness opinion given under this report.

4. SCOPE AND PURPOSE OF THIS REPORT

We understand that the Board of Directors of ARFIN and MALCO have considered and proposed a Scheme of Amalgamation of MALCO with ARFIN, pursuant to the provisions of sections 230 - 232 and other relevant provisions of the Companies Act, 2013.

In order to comply with the requirements of the regulations, the Company has appointed Sandip Desai & Co., Chartered Accountants, Ahmedabad as the Valuer.

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

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



5. VALUER'S RECOMMENDATION

After using several commonly used and accepted methods of determining the value of equity shares of a company, it has been recommended by the Valuer that the fair exchange ratio for the merger of MALCO with ARFIN shall be as follows:

"31 (Thirty One) equity shares of ARFIN of ₹ 10/- each fully paid up for every 100 (Hundred) equity shares of MALCO of ₹ 10/- each fully paid up."

6. OUR OPINION ON THE VALUER'S REPORT

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

In view of the above and on consideration of all relevant factors and circumstances, we believe that the Valuer's recommendation that 31 (Thirty One) equity shares of ARFIN of ₹ 10/- each fully paid up to be issued to the equity shareholders of MALCO for every 100 (Hundred) equity shares of ₹ 10/- each fully paid up held in MALCO, is Fair.

For, Vivro Financial Services Private Limited

Date: May 20, 2017
Place: Ahmedabad




Jayesh Vithlani
Sr. Vice President

DCS/AMAL/ST/R37/897/2017-18

August 17, 2017

The Company Secretary
Arfin India Ltd
B 302, Pelican House, 3rd Floor, Ashram Road,
Nr. Natraj Cinema, Gujarat Chamber of Commerce Building,
Ahmedabad, Gujarat, 380009

Sir,

Sub: Observation letter regarding the Draft Scheme arrangement between Mahendra Aluminium Company Limited (MACL) with Arfin India Limited (AIL).

We are in receipt of Draft Scheme of Arrangement between Mahendra Aluminium Company Limited (MACL) with Arfin India Limited (AIL) and their respective shareholders and creditors filed as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated August 14, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- Company shall ensure that applicable information pertaining to unlisted entity MACL is included in the format specified for abridged prospectus as specified in the circular.
- "Company shall duly comply with various provisions of the Circulars."
- Letter of AIL, dated July 20, 2017 pertaining to applicability of voting by public shareholders of AIL in terms of the aforesaid Circular may be disclosed on website of the company.
- "Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

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 NCLT.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

(2)

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

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



Arfin India Limited

July 6, 2017

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Maharashtra, India

Script Code: 539151

Security ID: ARFIN

Dear Sir,

Subject: Complaints Report pursuant to filing of Draft Scheme of Amalgamation under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further to our filing the Scheme of Amalgamation of Mahendra Aluminium Company Limited with Arfin India Limited on June 6, 2017, under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as per the requirement of the SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, we submit herewith the complaint report as required to be filed to the Stock Exchange within 7 days of expiry of 21 days from the date of filing of the Draft Scheme.

The Complaint Report dated July 6, 2017 for the period June 14, 2017 to July 5, 2017 has been enclosed herewith.

We request you to kindly take the same on record. The Complaint Report will also be hosted on the Website of the Company i.e. www.arfin.co.in.

Should you need further clarification/ information, please let us know.

Thanking you.

Yours Faithfully,

For **Arfin India Limited**

Mahendra R. Shah

Mahendra R. Shah

Chairman & Whole Time Director

DIN: 00182746



Encl: A / a



Arfin India Limited

Complaints Report

For the period June 14, 2017 to July 5, 2017

Part – A

Sr. No.	Particulars	Number
1	Number of Complaints Received Directly	Nil
2	Number of complaints forwarded by Stock Exchange	Nil
3	Total Number of Complaints / Comments Received	Nil
4	Number of Complaints Resolved	N.A.
5	Number of Complaints Pending	N.A.

Part-B

Sr. No.	Name of Complainant	Date of Complaint	Status (Resolved / Pending)
Not Applicable			

For Arfin India Limited

Mahendra R. Shah

Mahendra R. Shah

Chairman & Whole Time Director

DIN: 00182746



Date: July 6, 2017

Place: Ahmedabad

Head Office: B-302, 3rd Floor, Pelican House, GCCI Building,
Ashram Road, Ahmedabad-380 009. Gujarat, India.
Phone : +91-79-26583791, +91-79-26583792
Fax : +91-79-26583792 Email : info@arfin.co.in
CIN No. : L65990GJ1992PLC017460

Works: 118/ 1,2,3 & 117/3,6,7, Ravi Industrial Estate,
B/h. Hotel Prestige, Billeshwarpura, Chhatral,
Tal. - Kalol, Dist. - Gandhinagar - 382729, Gujarat, India.
Ph.: +91 2764 232620, 21
Fax : +91-02764-232620



Arfin India Limited

COMPLIANCE REPORT AS PER THE FORMAT SPECIFIED IN ANNEXURE IV OF SEBI CIRCULAR NO. CFD/DIL3/CIR/2017/21 DATED MARCH 10, 2017

BSE Limited

The General Manager,
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Maharashtra, India

Dear Sir,

Subject: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the proposed scheme of Amalgamation / Merger of Mahendra Aluminium Company Limited with Arfin India Limited

It is hereby certified that the draft scheme of arrangement involving Arfin India Limited (Transferee Company) and Mahendra Aluminium Company Limited (Transferor Company) does not, in any way violate, override or limit the provisions of securities laws or requirements of the Stock Exchange(s) and the same is in compliance with the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 including the following:

Sr. No.	Reference	Particulars	Whether Complied or not / details
1.	Regulation 17 to 27 of LODR Regulations	Corporate Governance Requirements	Yes, Complied
2.	Regulation 11 of LODR Regulations	Compliances with the security laws	Yes, Complied
Requirement of the SEBI Circular			
(a)	Para (I)(A)(2)	Submission of documents to Stock Exchanges	Yes, Submitted
(b)	Para (I)(A)(2)	Conditions for schemes of arrangement involving unlisted entities	Yes, Shall be complied

Head Office: 302, Pelican House, Gujarat Chambers of Commerce,
Ashram Road, Ahmedabad-380 009.
Phone : +91-79-26583791, +91-79-26583792
Fax : +91-79-26583792 Email : info@arfin.co.in
CIN No. : L65990GJ1992PLC017460

Works : 118/1, Ravi Estate, B/h. Hotel Prestige, Tal-Kalol,
Dist. Gandhinagar. Chhatral (Gujarat)
Ph. : 02764-232620/21
Fax : +91-02764-232620

(c)	Para (I)(A)(4) (a)	Submission of Valuation Report	Yes, Submitted Refer Annexure -
(d)	Para (I)(A)(5)	Auditors certificate regarding compliance with Accounting Standards	Yes, Submitted Refer Annexure -
(e)	Para (I)(A)(9)	Provision of approval of public shareholders through e-voting	Yes, Shall be complied

For **Arfin India Limited**

Purvesh Pandit

Purvesh Pandit

Company Secretary

For **Arfin India Limited**

Jatin M. Shah

Jatin M. Shah

Managing Director

DIN: 00182683

May 20, 2017

Certified that the transactions / accounting treatment provided in the draft scheme of arrangement involving Arfin India Limited (Transferee Company) and Mahendra Aluminium Company Limited (Transferor Company) are in compliance with all the Accounting Standards applicable to a listed entity.

For **Arfin India Limited**

Vijay Lathi

Vijay Lathi

Chief Financial Officer

For **Arfin India Limited**

Jatin M. Shah

Jatin M. Shah

Managing Director

DIN: 00182683

May 20, 2017

SUMMARY OF VALUATION REPORT INCLUDING BASIS OF VALUATION

Arfin India Limited Registered Office B-302, 3 rd Floor, Pelican House, Near Natraj Cinema, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad-380009 CIN: L65990GJ1992PLC017460	Mahendra Aluminium Company Limited Registered Office B-302, 3 rd Floor, Pelican House, Near Natraj Cinema, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad-380009 CIN: U65910GJ1995PLC025589
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Background:

- Arfin India Limited ("transferee Company") is mainly engaged in manufacturing of Aluminium Alloy and Cored Wire, Wire Rod and Aluminium Deox.
- Mahendra Aluminium Company Limited ("transferor Company") has been incorporated with an object to set up, operate, fabricate, market and deal in steel furnace, steel rolling mills, steel rolling plant and to re-roll mild, low, medium, high carbon and alloy steel and alloy cold rolled and hot rolled strips, refine alloy and manufacture ingots, skelped billets of special steel and alloy steels and to act as steel makers, steel converters ship breakers and to manufacture metallurgical products in all forms.
- Accordingly, the scheme under section 230 to 232 read with other relevant provisions of the Act, for the transfer and vesting of MALCO to the transferee company with effect from the appointed date i.e. March 31, 2017, as a going concern to consolidate the business activities of both the Companies. Increase in the authorized share capital of the Transferee Company and for the matter consequential, incidental, supplemental and /or otherwise integrally connected therewith.

Basis of Valuation

Sandip Desai and Co., independent chartered accountant had carried out valuation on the basis of pricing formula prescribed under Regulation 76 of ICDR Regulations. The fair exchange ratio of equity shares has been arrived at on the basis of a fair equity valuation of the companies and is based on the various methodologies and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations.

Though different values have been arrived at under each of the methodologies, for the purpose of recommending a fair exchange ratio of equity shares, it is necessary to arrive at a single value for the shares. It is however important to note that in doing so, an attempt has been made to arrive at the absolute equity value of the Companies but at their relative values to facilitate the determination of a fair equity share exchange ratio. For this purpose, appropriate weights to the values arrived at under each methodology was given based on, the evaluation, and

judgment of the business of the companies, in order to arrive at the relative values of the equity shares.

Based on the Valuation Report, the board of Directors approved:

"31 (Thirty One) equity share of ARFIN of Rs.10/- each fully paid up for every 100 (Hundred) equity shares of MALCO of Rs.10/- each fully paid up,"

Fairness Opinion

Vivro Financial Services Private Limited, a category I Merchant Banker has concluded that 31 (Thirty One) equity shares of ARFIN of ₹ 10/- each fully paid up to be issued to the equity shareholders of MALCO for every 100 (Hundred) equity shares of ₹ 10/- each fully paid up held in MALCO, is Fair.

For, Arfin India Limited

Mahendra R. Shah

Mahendrakumar Shah
Chairman and Director



For, Mahendra Aluminium Company Limited

Jatin Shah

Jatin Shah
Director



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ARFIN INDIA LIMITED AT ITS MEETING HELD ON SATURDAY, MAY 20, 2017 EXPLAINING THE EFFECT OF SCHEME OF AMALGAMATION OF MAHENDRA ALUMINIUM COMPANY LIMITED WITH ARFIN INDIA LIMITED ON EQUITY SHAREHOLDERS, SECURED CREDITORS, KEY MANAGERIAL PERSONNEL, PROMOTERS NON PROMOTERS SHAREHOLDERS

1. BACKGROUND

- 1.1 The proposed Scheme of Amalgamation of Mahendra Aluminium Company Limited ('Transferor Company') With Arfin India Limited ('Transferee Company') and their respective shareholders and creditors ('the Scheme') was approved by the Board of Directors of the Transferee Company vide resolution dated May 20, 2017. Provisions of Sections 232(2)(c) of the Companies Act, 2013 requires the Directors to adopt a report explaining the effect of arrangement on equity shareholders, key managerial personnel (KMPs), promoters and non-promoters shareholders of the Merging Companies laying out in particular the share exchange ratio and the same is required to be circulated to the equity shareholder.
- 1.2 This report of the Board is accordingly being made in pursuance to the requirement of Section 232(2)(c) of the Companies Act, 2013.
- 1.3 The Board of Directors took note of the following:
- 1.3.1 Draft Scheme was duly initialed by the Director for the purpose of identification;
- 1.3.2 Valuation Report dated May 20, 2017 of Sandip Desai & Co. Chartered Accountants (the "Valuer") Independent chartered accountants describing the methodology adopted by them in arriving at the valuation of Mahendra Aluminium Company Limited ("Valuation Report");
- 1.3.3 Fairness Opinion dated May 20, 2017 prepared by Vivro Financial Services Private Limited, a category I Merchant Banker, providing the Fairness Opinion on the Valuation of Mahendra Aluminium Company Limited ("Fairness Opinion") as recommended by the Valuer.
- 1.3.4 Report of the Audit Committee of the Board of Directors of the Transferor Company dated May 20, 2017.
- 1.3.5 Summary of the Valuation Report along with basis of such valuation.


Mahendra R Shah

2. Effect of the Scheme on shareholders, Key managerial personnel, promoters and non-promoter shareholder

- 2.1 Under the Scheme, on effective date and as enumerated in clause 10.1 of the Scheme, the Transferee Company shall issue and allot fully paid up equity shares to the shareholders of Transferor Company. As per clause 4.5 of the Scheme, Loans or other obligations, if any, due or outstanding inter se between the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability, relating either to principal or to interest after the Appointed Date, in respect of such loans and other obligations and liabilities of the creditors of the transferee company is not being reduced nor being extinguished under the scheme.
- 2.2 As on date, the transferor company has no outstanding towards any public deposits and therefore the effect of the Scheme on any such public deposit holders do not arise.
- 2.3 The rights of the employees of the Transferor Company are in no way affected by the Scheme. The employees engaged by the Transferor Company shall continue to be employed by the Transferee Company.
- 2.4 There is no effect of the Scheme on the Key Managerial Personnel and/or the Directors of the Transferee Company.
- 2.5 Further, none of the Directors, Key Managerial Personnel (as defined under the Companies Act, 2013 and Rules framed thereunder) of the Transferee Company and their respective relatives (as defined under the Companies Act, 2013 and Rules framed thereunder) have any interest in the Scheme except to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the company that hold shares in the Transferor Company. Save as aforesaid, none of the said Directors, Key Managerial Personnel have any material interest in the Scheme.

3. Valuation

Sandip Desai and Co., independent chartered accountant had carried out valuation on the basis of pricing formula prescribed under Regulation 76 of ICDR Regulations. The fair exchange ratio of equity shares has been arrived at on the basis of a fair equity valuation of the companies and is based on the various methodologies and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations.



Based on the Valuation Report, the board of Directors approved:

"31 (Thirty One) equity share of ARFIN of Rs.10/- each fully paid up for every 100 (Hundred) equity shares of MALCO of Rs.10/- each fully paid up,"

**By Order of the Board
For Arfin India Limited**

Mahendra R. Shah
Mahendra R. Shah
(Chairman)



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF MAHENDRA ALUMINIUM COMPANY LIMITED AT ITS MEETING HELD ON SATURDAY, MAY 20, 2017 EXPLAINING THE EFFECT OF SCHEME OF AMALGAMATION OF MAHENDRA ALUMINIUM COMPANY LIMITED WITH ARFIN INDIA LIMITED ON EQUITY SHAREHOLDERS, SECURED CREDITORS, KEY MANAGERIAL PERSONNEL, PROMOTERS NON PROMOTERS SHAREHOLDERS

1. Background

- 1.1 The proposed Scheme of Amalgamation of Mahendra Aluminium Company Limited ('Transferor Company') With Arfin India Limited ('Transferee Company') and their respective shareholders and creditors ('the Scheme') was approved by the Board of Directors of the Transferor Company vide resolution dated May 20, 2017. Provisions of Sections 232(2)(c) of the Companies act,2013 requires the Directors to adopt a report explaining the effect of arrangement on equity shareholder, key managerial personnel (KMPs), promoters and non-promoters shareholders of the Merging Companies laying out in particular the share exchange ratio and the same is required to be circulated to the equity shareholder.
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- 2.2 As on date, the transferor company has no outstanding towards any public deposits and therefore the effect of the Scheme on any such public deposit holders do not arise.
- 2.3 The rights of the employees of the Transferor Company are in no way affected by the Scheme. The employees engaged by the Transferor Company shall continue to be employed by the Transferee Company.
- 2.4 There is no effect of the Scheme on the Key Managerial Personnel and/or the Directors of the Transferor Company.
- 2.5 Further, none of the Directors, Key Managerial Personnel (as defined under the Companies Act, 2013 and Rules framed thereunder) of the Transferor Company and their respective relatives (as defined under the Companies Act, 2013 and Rules framed thereunder) have any interest in the Scheme except to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the company that hold shares in the Transferor Company. Save as aforesaid, none of the said Directors, Key Managerial Personnel have any material interest in the Scheme.

3. Valuation

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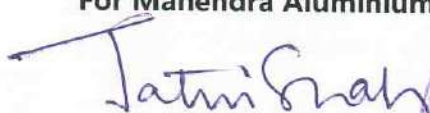
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Based on the Valuation Report, the board of Directors approved:

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By Order of the Board

For Mahendra Aluminium Company Limited


Jatin Shah
Chairman





ARFIN INDIA LIMITED

Registered Office: B-302, 3rd Floor, Pelican House, Gujarat Chamber of Commerce Building, Ashram Road,
Ahmedabad-380009, Gujarat, India. CIN: L65990GJ1992PLC017460; Phone: +91 79 26583791-92; Fax: +91 79 26583792;
Email: investors@arfin.co.in; Website: www.arfin.co.in

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017

(₹ in Lakhs Except Per Share Data)

Sr. No.	Particulars	Quarter Ended	
		30-Jun-17	30-Jun-16
		(Unaudited)	(Unaudited)
1	Income From Operations		
	a) Sales / Income From Operations (Inclusive of Excise Duty)	9,693.86	9,170.96
	b) Other Income	2.25	15.35
	Total Revenue (a+b)	9,696.11	9,186.31
2	Expenses		
	(a) Cost of Materials Consumed	6,990.35	6,785.26
	(b) Purchase of Stock-In-Trade	0.00	19.56
	(c) Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade - (Increase) / Decrease	356.66	208.48
	(d) Excise Duty on Sales	1,081.39	1,016.30
	(e) Employee Benefits Expense	90.19	57.36
	(f) Finance Costs	146.38	144.87
	(g) Depreciation and Amortization Expense	41.70	25.43
	(h) Other Expenses		
	Power and Fuel	170.36	95.32
	Other Expenses	345.79	376.44
	Total Other Expenses	516.15	471.76
	Total Expenses	9,222.82	8,729.02
3	Profit / (Loss) Before Exceptional and Extraordinary Items And Tax (1-2)	473.29	457.28
4	Exceptional Items	0.00	0.00
5	Profit / (Loss) Before Extraordinary Items And Tax (3-4)	473.29	457.28
6	Extraordinary Items	0.00	0.00
7	Profit / (Loss) Before Tax (5-6)	473.29	457.28
8	Tax Expense		
	Current Tax	158.00	147.72
	Deferred Tax	6.36	2.89
	Total Tax Expense	164.36	150.61
9	Net Profit / (Loss) From Continuing Operations (7-8)	308.93	306.67
10	Profit / (Loss) From Discontinuing Operations Before Tax	0.00	0.00
11	Tax Expense of Discontinuing Operations	0.00	0.00
12	Net Profit / (Loss) From Discontinuing Operations After Tax (10-11)	0.00	0.00
13	Profit / (Loss) for the Period (9+12)	308.93	306.67
14	Other Comprehensive Income (OCI)	8.58	0.00
15	Total Comprehensive Income After Tax (13+14)	317.51	306.67
16	Paid-Up Equity Share Capital (Face Value of ₹ 10 Each)	405.12	301.83
17	Earnings Per Share (For Continuing & Discontinuing Operations) of ₹ 10/- Per Share (Not Annualized)		
	a) Basic	7.63	10.16
	b) Diluted	7.63	10.16

Notes:

- The Company has adopted Indian Accounting Standards ("IND AS") w.e.f April 1, 2017 and accordingly these Financial Results have been prepared in accordance with recognition and measurement principles laid down in the IND AS 34 "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under and the other accounting principles generally accepted in India. Financial Results for all the periods presented have been prepared in accordance with the recognition and measurement principles of IND AS 34.
- The Company is engaged in a single segment of manufacturing and trading of Non Ferrous Metals.
- The above Financial Results have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors in their meeting held on August 8, 2017.
- The Financial Results and other financial information for the quarter ended June 30, 2016 have been reviewed and have been presented based on the information compiled by the management after making the necessary adjustments to give a true and fair view of the results in accordance with IND AS.
- Figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure.
- The Company doesn't have any exceptional or extraordinary item to report for the above periods.
- The Statutory Auditors of the Company have carried out "Limited Review" of the above Unaudited Financial Results.

Place: Ahmedabad
Date: August 8, 2017

On Behalf of Board of Directors
For, Arfin India Limited

Mahendra R. Shah
Chairman & Executive Director
(DIN: 00182746)



RAMAN M. JAIN & CO.
Chartered Accountants

HEAD OFFICE : B - 31-33, Ghanshyam Avenue, Opp. C.U.Shah College, Navjivan, Income Tax, Ahmedabad - 380 014. Ph. : (0) 27542823, 27542819 Email : rinkesh_1983@yahoo.co.in
BRANCH : A - 220, Shital Shopping Centre, Gurunanak Chawk, Palanpur - 385 001. Banaskantha

LIMITED REVIEW REPORT


To,
The Board of Directors,
Arfin India Limited

We have reviewed the accompanying statement of unaudited financial results of Arfin India Limited for the quarter ended June 30, 2017. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

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

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 of SEBI including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Raman M. Jain & Co.,
Chartered Accountants
Firm Registration No. 113290W


Raman M. Jain
(Partner)
Membership No. 045790



Place: Ahmedabad
Date: August 8, 2017

MAHENDRA ALUMINIUM COMPANY LIMITED**PROVISIONAL BALANCE SHEET AS AT SEPTEMBER 30, 2017**

Amount in ₹

	Note	As At Sept 30, 2017	As At March 31, 2017
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2	1,18,50,000	1,18,50,000
Reserves And Surplus	3	6,45,97,588	5,67,25,840
		7,64,47,588	6,85,75,840
NON CURRENT LIABILITIES			
Long Term Borrowings	4	3,95,00,000	3,95,00,000
Deferred Tax Liabilities (Net)	5	16,23,180	15,14,148
		4,11,23,180	4,10,14,148
CURRENT LIABILITIES			
Short Term Borrowings	6	14,49,50,758	13,47,15,451
Trade Payables	7	4,90,65,084	3,41,99,557
Other Current Liabilities	8	44,10,571	17,53,961
Short Term Provisions	9	28,27,320	47,90,676
		20,12,53,733	17,54,59,645
TOTAL		31,88,24,501	28,50,49,633
ASSETS			
NON CURRENT ASSETS			
Fixed Assets	10		
Tangible Assets		2,84,41,068	3,07,77,337
Intangible Assets		788	788
Non Current Investments	11	100	100
Long Term Loans & Advances	12	3,90,998	3,90,998
		2,88,32,954	3,11,69,223
CURRENT ASSETS			
Inventories	13	4,70,32,572	4,97,26,168
Trade Receivables	14	22,00,87,502	19,30,50,475
Cash And Cash Equivalents	15	1,31,92,378	97,85,767
Short Term Loans And Advances	16	96,79,095	13,17,999
		28,99,91,547	25,38,80,410
TOTAL		31,88,24,501	28,50,49,633

For, Mahendra Aluminium Company Ltd.



 Director / Authorised Signatory

MAHENDRA ALUMINIUM COMPANY LIMITED
PROVISIONAL STATEMENT OF PROFIT & LOSS FOR 6 MONTHS ENDED SEPTEMBER 30, 2017

Amount in ₹

	Note	As At Sept 30, 2017	As At March 31, 2017
REVENUE			
Revenue From Operations	17	46,59,36,322	1,11,21,71,293
Less: Central Excise Duty		4,22,07,369	5,32,13,358
Revenue From Operations (Net)		42,37,28,953	1,05,89,57,935
Other Income	18	17,27,257	27,36,338
Total Revenue		42,54,56,210	1,06,16,94,273
EXPENSES			
Cost of Materials Consumed	19	42,46,11,813	95,26,10,067
Changes In Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	20	(3,46,90,081)	21,30,522
Employee Benefits Expense	21	13,02,131	26,38,235
Finance Costs	22	82,76,036	1,94,93,903
Depreciation and Amortization Expense	23	5,46,248	12,14,775
Other Expenses	24	1,36,29,283	6,30,63,518
Total Expenses		41,36,75,429	1,04,11,51,020
Profit Before Tax		1,17,80,781	2,05,43,253
Tax Expense			
Current Tax		38,00,000	70,00,000
Deferred Tax		1,09,032	2,44,228
Profit / (Loss) For The Period		78,71,749	1,32,99,026
Earnings Per Equity Share (Face Value of ₹ 10/- Each) Basic and Diluted		6.64	11.22

For, Mahendra Aluminium Company Ltd.



 Director / Authorised Signatory

MAHENDRA ALUMINIUM COMPANY LIMITED
CASH FLOW STATEMENT FOR 6 MONTHS ENDED SEPTEMBER 30, 2017

Amount in ₹

Particulars	As At Sept 30, 2017	As At March 31, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) Before Tax	1,17,80,781	2,05,43,253
Adjustments For:		
Add: Depreciation & Amortisation	2,72,629	12,14,775
Interest & Other Financial Charges	82,76,036	1,94,93,903
	85,48,665	2,07,08,678
Less: Profit on Sale of Plant & Machinery	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,03,29,445	4,12,51,931
CHANGE IN WORKING CAPITAL		
Adjustments For:		
Add: Decrease in Trade Receivables	-	-
Increase in Other Current Liabilities	26,56,609	-
Decrease in Short Term Loans & Advances	(83,61,096)	6,43,228
Decrease in Inventories	26,93,596	1,14,60,678
Increase in Trade Payable	1,48,65,527	-
Increase in Short Term Provisions	-	-
	1,18,54,637	1,21,03,906
Less: Decrease in Trade Payable	-	(1,57,24,488)
Decrease in Short Term Provisions	(19,63,356)	52,927
Decrease in Other Current Liabilities	-	29,147
Increase in Trade Receivables	(2,70,37,027)	-3,18,44,308.43
Increase in Inventories	-	-
	(2,90,00,383)	(4,74,86,722)
CASH GENERATED FROM OPERATIONS	31,83,699	58,69,115
Less: Income Tax Paid (Net)	38,00,000	22,62,251
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(6,16,301)	36,06,864
B. CASH FLOW FROM INVESTING ACTIVITIES		
Add: Sale of Investment	-	-
Sale of Fixed Assets	21,76,740	3,536
	21,76,740	3,536
Less: Long Term Loans & Advances	-	-
Purchase of Fixed Assets	(1,13,100)	(7,38,084)
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	20,63,640	(7,34,548)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Add: Increase / (Decrease) in Working Capital Loan	1,02,35,307	2,27,95,808
Increase / (Decrease) in Borrowings	-	-
	1,02,35,307	2,27,95,808
Less: Interest & Other Financial Charges	82,76,036	1,94,93,903
NET CASH FLOW FROM FINANCIAL ACTIVITIES (C)	19,59,271	33,01,905
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	34,06,611	61,74,221
CASH AND CASH EQUIVALENTS - OPENING BALANCE	97,85,767	36,11,547
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	1,31,92,378	97,85,767

For, Mahendra Aluminium Company Ltd.


 Director / Authorised Signatory

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting	The Financial Statements are prepared on accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles (GAAPs) in India, provisions of the Companies Act, 2013 and comply material aspects with the Accounting Standards notified under the Companies Act, 2013.
b) Going Concern	These financial statement is prepared on a realisation basis (not on going concern basis) because management intends for the merger of the company in the foreseeable period from the balance sheet date.
c) Use of Estimates	The preparation of Financial Statements in conformity with GAAPs requires Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities as at the date of the Financial Statements and reported amounts of income and expenses during the reporting period. Accounting estimates could change from period to period and actual results could differ from those estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and if material, their effects are disclosed in the notes to the Financial Statements.
d) Fixed Assets	Fixed Assets are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freights, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working condition for its intended use but net of recoverable duties like CENVAT.
e) Depreciation	Depreciation on fixed assets is provided on pro rata basis as per the Schedule II of the Companies Act, 2013 on Straight Line Method. Schedule II of the Companies Act, 2013 prescribes useful lives for fixed assets which are in many cases different from lives prescribed under the erstwhile Schedule XIV. The Management has re-estimated useful lives of all its fixed assets and depreciation is accordingly allocated over the useful life of individual assets as per Part C of Schedule II of the Companies Act, 2013.
f) Revaluation of Fixed Assets	No Revaluation of Fixed Assets has been done during the period ended September 30, 2017.
g) Investments	Investments are stated at cost.
h) Inventories	Raw Material and Work in Progress have been valued at cost and Finished Goods have been valued at cost or net realizable value, whichever is lower. Cost of inventories comprises of cost of purchase, cost of conversion and cost incurred to bring them in present location and condition.
i) Revenue Recognition	Sales Revenue is recognized on accrual basis and is exclusive of taxes.
j) Dividends	The Company has not proposed any dividend for and / or during the current Financial Year.
k) Retirement Benefit	Monthly contribution to the defined contribution plans such as Provident Fund is deposited periodically with the Provident Fund Authorities. The Company has not provided for Gratuity to the employees in the books of accounts upto the period under audit. The Gratuity is being accounted for on payment basis.
l) Taxes on Income	During the year, the Company has complied with "AS - 22 Accounting for Taxes on Income". The difference that result between the profit offered for income tax and the profit as per Financial Statements is identified and Deferred Tax Liability is recognized for timing difference, that originates in one accounting period and reverses in another, based on the tax effect of the prevailing enacted regulations in force.
m) Foreign Currency Transactions	Any income or expense on account of exchange difference between the date of transaction and on settlement date or on translation is recognized in the Statement of Profit and Loss as income or expense.
n) Cash Flow Statement	Cash Flow Statement is prepared by the Indirect Method as per Accounting Standard - 3 presenting the Cash Flow by Operating, Investing and Financial activities of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2 SHARE CAPITAL

Particulars	As At Sept 30, 2017		As At March 31, 2017	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
AUTHORIZED SHARE CAPITAL Equity Shares of ₹ 10/- each	15,00,000	1,50,00,000	15,00,000	1,50,00,000
ISSUED , SUBSCRIBED & PAID UP SHARE CAPITAL Equity Shares of ₹ 10/- Each Fully Paid Up	11,85,000	1,18,50,000	11,85,000	1,18,50,000
Total	11,85,000	1,18,50,000	11,85,000	1,18,50,000

2.1 The Reconciliation of the Number of Shares Outstanding as at Sept 30, 2017 and March 31, 2017 is Set Out Below

Equity Shares	As At Sept 30, 2017		As At March 31, 2017	
	No. of Shares	Amount in ₹	No. of Shares	Amount in ₹
Shares Outstanding at Beginning of the Year	11,85,000	1,18,50,000	11,85,000	1,18,50,000
Add: Shares Issued During the Year	-	-	-	-
Less: Shares Cancelled During the Year	-	-	-	-
Shares Outstanding At The End of The Year	11,85,000	1,18,50,000	11,85,000	1,18,50,000

2.2 Terms / Rights Attached to Equity Shares: The Company has only one class of Equity Shares having Face Value of ₹ 10/- each per share. Each holder of Equity Shares is entitled for one vote per share.

2.3 The Details of Shareholder Holding More Than 5% Shares is Set Out Below

Shareholder Name	As At Sept 30, 2017		As At March 31, 2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Jatin M. Shah	2,93,400	24.76%	2,93,400	24.76%
Rani J. Shah	2,89,200	24.41%	2,89,200	24.41%
Pooja M. Shah	2,85,000	24.05%	2,85,000	24.05%
Mahendra Rikhavchand Shah	98,900	8.35%	98,900	8.35%
Mahendra R. Shah - As Karta of Mahendra R. Shah (HUF)	90,900	7.67%	90,900	7.67%
Sunderdevi G. Nahta	60,000	5.06%	60,000	5.06%
Jyotikadevi J. Nahta	60,000	5.06%	60,000	5.06%
Total	11,77,400	99.36%	11,77,400	99.36%

For, Mahendra Aluminium Company Ltd.

Jatin Shah
Director / Authorised Signatory

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

3 RESERVES & SURPLUS

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
I	RESERVES		
	SHARE PREMIUM ACCOUNT		
	Opening Balance	1,66,50,000	1,66,50,000
	Add: Premium on Shares Issued During the Year	-	-
	Less: Utilized During the Year	-	-
	Closing Balance	1,66,50,000	1,66,50,000
II	SURPLUS IN STATEMENT OF PROFIT AND LOSS		
	Opening Balance	4,00,75,840	2,67,76,814
	Add: Profit for the Year	78,71,749	1,32,99,026
	Less: Adjustments Due to Applicability of Schedule II of the Companies Act, 2013	-	-
	Add: Prior Year Adjustments	-	-
	Closing Balance	4,79,47,588	4,00,75,840
	Total	6,45,97,588	5,67,25,840

4 LONG TERM BORROWINGS

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
I	SECURED LOANS	-	-
II	UNSECURED LOANS		
	Inter Corporate Deposits		
	From Related Parties	-	-
	Other Unsecured Loans		
	From Unrelated Parties	3,95,00,000	3,95,00,000
	Total	3,95,00,000	3,95,00,000

5 DEFERRED TAX LIABILITY (NET)

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
I	DEFERRED TAX LIABILITY		
	Created Out of Difference in Earlier Years	15,14,148	12,69,920
	Less: Excess of Depreciation as per Books of Accounts over Income Tax	-	-
	Add: Excess of Depreciation as per Income Tax over Books of Accounts	1,09,032	2,44,228
	Total	16,23,180	15,14,148

6 SHORT TERM BORROWINGS

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
I	SECURED LOANS		
	Axis Bank Limited - Cash Credit Limits	8,98,53,007	9,07,48,168
	Axis Bank Limited - Buyers Credit Limits	5,50,97,751	4,39,67,283
	Total	14,49,50,758	13,47,15,451

For, Mahendra Aluminium Company Ltd.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

6.1 Working Capital Assistance is secured by the First Charge on entire Current Assets including Stock and Book Debts of the Company. It has Collateral Securities by way of Equitable Mortgage of Land and Building belonging to the Company situated at 117/1, Ravi Industrial Estate, Billeshwarpura, Chhatral, Taluka - Kalol, Dist. - Gandhinagar - 382729, Gujarat. The assistance is further secured by Personal Guarantees of Directors.

7 TRADE PAYABLES

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Trade Payable for Goods	4,78,54,799	2,68,45,028
	Trade Payable for Expenses	9,17,781	72,92,380
	Trade Payable for Capital Goods & Consumables	2,92,504	62,149
	Total	4,90,65,084	3,41,99,557

8 OTHER CURRENT LIABILITIES

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Statutory Payables	44,10,571	17,53,961
	Total	44,10,571	17,53,961

9 SHORT TERM PROVISIONS

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Provision for Taxation (Net of Advance Tax & TDS)	26,53,563	47,37,749
	Salary Payable	1,73,757	52,927
	Total	28,27,320	47,90,676

11 NON CURRENT INVESTMENTS

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Investment in Unquoted Equity Shares	100	100
	Total	100	100

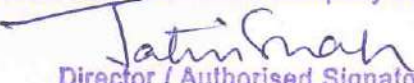
12 LONG TERM LOANS & ADVANCES

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Uttar Gujarat Vij Company (Deposits)	3,90,998	3,90,998
	Total	3,90,998	3,90,998

13 INVENTORIES (AT LOWER OF COST OR NET REALIZABLE VALUE)

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Stock of Trading and Finished Goods	4,10,02,547	63,12,466
	Stock of Raw Material	60,30,025	4,34,13,702
	Total	4,70,32,572	4,97,26,168

For, Mahendra Aluminium Company Ltd.


 Director / Authorised Signatory

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

14 TRADE RECEIVABLES

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	UNSECURED, CONSIDERED GOOD		
	Outstanding for a Period Exceeding Six Months	-	-
	Outstanding for a Period Less Than Six Months	22,00,87,502	19,30,50,475
	Total	22,00,87,502	19,30,50,475

15 CASH & CASH EQUIVALENTS

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Cash on Hand	10,87,812	13,28,099
	Bank Fixed Deposit For Less Than 12 Months	1,19,27,793	84,46,522
	Balance with Banks - Current Account	1,76,773	11,147
	Total	1,31,92,378	97,85,767

16 SHORT TERM LOANS & ADVANCES

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	UNSECURED CONSIDERED GOOD		
	Prepaid Expenses	-	1,20,939
	Balance with Government Authorities	90,05,750	8,14,248
	Advance to Creditors	6,40,233	3,15,000
	Interest Receivable	30,302	30,302
	Loans And Advances to Staff	2,810	37,510
	Total	96,79,095	13,17,999

17 REVENUE FROM OPERATIONS

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
I	REVENUE FROM OPERATIONS		
	Sale of Products		
	Domestic Sales	46,59,36,322	1,11,21,71,293
	Export Sales (*)	-	-
		46,59,36,322	1,11,21,71,293
	(*) Earnings in Foreign Exchange		
II	OTHER OPERATING REVENUE		
	Job Work Income	-	-
	Revenue From Operations (Gross)	46,59,36,322	1,11,21,71,293
	Less: Central Excise Duty / GST	4,22,07,369	5,32,13,358
	Revenue from Operations (Net)	42,37,28,953	1,05,89,57,935

18 OTHER INCOME

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Interest Received on Fixed Deposits	15,31,510	4,52,982
	Rent Income	1,50,000	3,00,000
	Other Interest Income	45,747	19,56,523
	Sundry Balance Written Off	-	26,833
	Total	17,27,257	27,36,338

For, Mahendra Aluminium Company Ltd.

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Director / Authorised Signatory

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

19 COST OF RAW MATERIALS CONSUMED

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Opening Stock	4,34,13,702	5,27,43,858
	Add: Purchases	36,26,04,227	86,67,65,296
	Add: Custom Duty	2,46,23,909	8,28,76,181
	Less: SAD Refund	-	63,61,566
	Sub Total	43,06,41,838	99,60,23,769
	Less: Closing Stock	60,30,025	4,34,13,702
	Total	42,46,11,813	95,26,10,067

20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
I OPENING STOCK			
	Finished Goods	63,12,466	84,42,988
	Sub Total	63,12,466	84,42,988
II CLOSING STOCK			
	Finished Goods	4,10,02,547	63,12,466
	Sub Total	4,10,02,547	63,12,466
	Total (I - II)	(3,46,90,081)	21,30,522

21 EMPLOYEE BENEFIT EXPENSES

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Salaries and Allowances to Staff	12,87,081	10,71,107
	Bonus to Staff	-	1,73,675
	Performance Bonus / Incentive to Directors	-	3,33,333
	Salary and Allowance to Directors	-	10,00,000
	Staff Welfare Expenses	15,050	60,120
	Total	13,02,131	26,38,235

22 FINANCE COSTS

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Bank Charges	14,69,104	14,35,256
	Bank Interest	45,23,041	1,13,69,671
	Loan Processing Charges	1,34,993	8,78,707
	Other Interest	21,48,898	58,10,269
	Total	82,76,036	1,94,93,903

For, Mahendra Aluminium Company Ltd.


Director / Authorised Signatory

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

23 DEPRECIATION & AMORTIZATION EXPENSES

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
	Depreciation	5,46,248	12,14,775
	Total	5,46,248	12,14,775

24 OTHER EXPENSES

Sr. No.	Particulars	As At Sept 30, 2017	As At March 31, 2017
I	MANUFACTURING & OTHER DIRECT EXPENSES		
	Power & Fuel Expenses	11,76,508	90,26,659
	Bhatti Consumables	22,85,509	85,05,335
	Demurrage & Detention Charges	21,54,028	2,36,39,010
	Freight Inward	8,51,029	31,31,085
	Imports - CHA Charges	6,65,240	19,62,983
	Imports - Clearing & Forwarding Expenses	45,66,803	1,38,71,755
	Repairs & Maintenance - Factory	1,73,058	5,83,795
	Other Manufacturing Expenses	1,64,040	4,63,682
	Sub Total	1,20,36,215	6,11,84,304
II	SELLING AND DISTRIBUTION EXPENSES	11,15,962	19,70,829
III	ADMINISTRATIVE & OTHER EXPENSES		
	Auditors' Remuneration	-	51,750
	Computer Maintenance Expenses	22,388	78,982
	Conveyance Expenses	11,605	41,630
	Exchange Rate Fluctuation - Imports	(10,30,106)	(25,19,640)
	Filing Fees - ROC	3,600	3,980
	Income Tax Expenses	-	-
	Insurance Premium	72,363	1,23,601
	Interest on Late Payment of Statutory Dues	4,84,386	3,54,025
	Loss on Sale of Assets	18,816	-
	Legal & Professional Charges	66,480	81,290
	Packing Expenses	3,81,607	6,65,200
	Petrol Expenses - Vehicles	19,520	49,760
	Postage & Courier Expenses	5,660	22,237
	Printing & Stationary Expenses	17,600	83,180
	Rent - Office Building	1,50,000	1,20,000
	Rent - Factory	60,000	2,64,000
	Repairs & Maintenance - Office	16,760	68,940
	Repairs & Maintenance - Vehicles	21,240	42,470
	Telephone Expenses	7,426	25,988
	Travelling Expenses - Domestic	14,900	67,400
	Miscellaneous Expenses	1,32,861	2,83,592
	Sub Total	4,77,106	(91,615)
	Total	1,36,29,283	6,30,63,518

For, Mahendra Aluminium Company Ltd.

Jatin Shah
Director / Authorised Signatory

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

10 FIXED ASSETS

Amount in ₹

Description	As At April 1, 2017	Addition During The Year	Gross Block		Disposal	As At Sept 30, 2017	Depreciation					Net Block	
			Sales and / or Adjustment During The Year				Up to March 31, 2017	For The Year	Depreciation Transferred to Reserves	Depreciation Reversal on Sale / Transfer	Up to Sept 30, 2017	As At Sept 30, 2017	As At March 31, 2017
(i) TANGIBLE ASSETS													
Leasehold Land	-	-	-	-	-	-	-	-	-	-	-	-	-
Freehold Land	95,41,958	-	-	-	-	95,41,958	-	-	-	-	-	95,41,958	95,41,958
Factory Building	1,74,86,338	-	-	-	-	1,74,86,338	17,72,794	2,72,980	-	-	20,45,774	1,54,40,564	1,57,13,544
Plant & Machineries	42,42,681	62,500	21,76,740	-	-	21,28,441	5,84,288	77,960	-	2,73,619	3,88,630	17,39,811	36,58,393
Electric Installations	1,25,705	33,125	-	-	-	1,58,830	29,282	6,008	-	-	35,290	1,23,540	96,423
Furniture and Fixtures	7,55,324	-	-	-	-	7,55,324	5,65,712	50,569	-	-	6,16,281	1,39,043	1,89,612
Computers	3,97,889	-	-	-	-	3,97,889	3,80,504	-	-	-	3,80,504	17,385	17,385
Office Equipments	3,51,020	17,475	-	-	-	3,68,495	1,89,718	19,785	-	-	2,09,503	1,58,992	1,61,302
Vehicles	18,08,708	-	-	-	-	18,08,708	9,84,762	85,898	-	-	10,70,659	7,38,049	8,23,946
Used Shipping Container	6,95,758	-	-	-	-	6,95,758	1,20,983	33,049	-	-	1,54,031	5,41,727	5,74,775
Total (i)	3,54,05,381	1,13,100	21,76,740	-	-	3,33,41,740.73	46,28,043	5,46,248	-	2,73,619	49,00,673	2,84,41,068.07	3,07,77,337
(ii) INTANGIBLE ASSETS													
Softwares	15,750	-	-	-	-	15,750	14,962	-	-	-	14,962	788	788
(iii) CAPITAL WORK IN PROGRESS													
	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (i) + (ii) + (iii)	3,54,21,131	1,13,100	21,76,740	-	-	3,33,57,490.73	46,43,006	5,46,248	-	2,73,619	49,15,634.68	2,84,41,856.05	3,07,78,125

For, Mahendra Aluminium Company Ltd.

Director / Authorised Signatory



Vivro Financial Services Private Ltd.

Regd. Office :

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

CERTIFICATE TEL: +91 (079) 4040 4242 , 2665 0669, W : www.vivro.net

To,
The Board of Directors,
Arfin India Limited
B 302, 3rd Floor, Pelican House,
Near Natraj Cinema,
Gujarat Chamber of Commerce Building,
Ashram Road, Ahmedabad - 380 009

Sub: Certificate on adequacy and accuracy of disclosure of information pertaining to Mahendra Aluminum Company Limited in relation to proposed Scheme of Amalgamation of Mahendra Aluminum Company Limited with Arfin India Limited.

Dear Sirs,

We, Vivro Financial Services Private Limited ('Vivro'), refer to our engagement letter dated May 20, 2017 whereby Arfin India Limited (hereinafter referred to as 'Arfin' or the Transferee Company) has appointed us for the purpose of certifying the adequacy and accuracy of disclosure of information pertaining to Mahendra Aluminum Company Limited (hereinafter referred to as 'MALCO' or 'the Transferor Company') pursuant to the proposed Scheme of Amalgamation of Mahendra Aluminum Company Limited with Arfin India Limited pursuant to sections 230 - 232 of the Companies Act, 2013.

Regulatory Requirement:

SEBI vide its Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular") prescribed requirements to be fulfilled by the listed entities when they propose a Scheme of Arrangement. The SEBI Circular, amongst other things, provide that in the event a listed entity enters into a scheme of arrangement with an unlisted entity, the listed entity shall disclose to its shareholders applicable information pertaining to the unlisted entity in the format specified for abridged prospectus as provided in part D of Schedule VIII of SEBI (ICDR) Regulations, 2009.

Further, the adequacy and accuracy of such disclosure of information pertaining to unlisted entity is required to be certified by a SEBI registered Merchant Banker.

Disclaimer and Limitations:

1. This Certificate is a specific purpose certificate issued in terms of and in compliance with SEBI Circular and hence it should not be used for any other purpose or transaction.
2. This Certificate contains the certification on adequacy and accuracy of disclosure of information pertaining to the unlisted entity viz., MALCO and is not an opinion on the Scheme of Amalgamation or its success.



3. This Certificate is issued on the basis of examination of information and documents provided by MALCO and information which is available in the public domain and wherever required, the appropriate representations from MALCO have also been obtained.
4. We shall not be liable for any losses whether financial or otherwise or expenses arising directly or indirectly out of the use of or reliance on the information set out here in this report.
5. Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed scheme of amalgamation with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon, in their respective jurisdiction.

Certification:


We state and confirm as follows:

1. We have examined various documents and other materials in connection with finalization of draft disclosure of information dated May 20, 2017, pertaining to MALCO ("Information Memorandum") which will be circulated to the members of Arfin at the time of seeking their consent to the proposed scheme of amalgamation of MALCO with Arfin as a part of explanatory statement to the notice;
2. On the basis of such examination and the discussion with the management of MALCO, its directors, other officers and on independent verification of contents of Information Memorandum and other papers furnished to us, WE CONFIRM that:
 - a. The information contained in the Information Memorandum is in conformity with the relevant documents, materials and other papers related to MALCO;
 - b. The Information Memorandum contains applicable information pertaining to MALCO as required in terms of SEBI Circulars which, in our view are fair, adequate and accurate to enable the members to make a well informed decision on the proposed scheme of amalgamation.

For, Vivro Financial Services Private Limited

Date: May 24, 2017
Place: Ahmedabad




Jayesh Vithani
Sr. Vice President

DISCLOSURE OF INFORMATION PERTAINING TO MAHENDRA ALUMINIUM COMPANY LIMITED

The Board of Directors of the Company has, at their meeting held on May 20, 2017, approved the Scheme of Amalgamation of Mahendra Aluminium Company Limited (Transferor Company or MALCO) with the Company. In terms of SEBI Circular - CFD/DIL3/CIR/2017/21 dated March 10, 2017 ("SEBI Circular"), the Company (being listed entity) is required to give the applicable information pertaining to MALCO (unlisted entity) in the format specified for abridged prospectus as provided in Part D of Schedule VIII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 which is as follows:



MAHENDRA ALUMINIUM COMPANY LIMITED

The MALCO was originally incorporated as a public limited company with the name Arfin Enterprise Limited pursuant to certificate of incorporation dated April 23, 1995 issued by Registrar of Companies, Gujarat which name was subsequently changed to Mahendra Aluminium Company Limited vide fresh certificate of incorporation dated April 17, 2013.

Reg. Office: B - 302, 3rd Floor, Pelican House, GCCI Building, Near Natraj Cinema, Ashram Road, Ahmedabad - 380 009, Gujarat, India

Phone No.: 079 26583791 **Email:** mahendra@arfin.co.in

Corporate Identity Number: U65910GJ1995PLC025589

Contact Person: Mr. Jatin M. Shah - Director

PROMOTERS

Mr. Mahendra R. Shah, Mrs. Pushpa M. Shah, Mahendra R. Shah - HUF,
Mr. Jatin M. Shah, Mrs. Rani J. Shah and Ms. Pooja Shah

ISSUE AND LISTING OF EQUITY SHARES

Issue of 3,67,350 fully paid up equity shares of Rs. 10 each of Arfin India Limited to the shareholders of MALCO in the ratio of 31 equity shares for every 100 equity shares held by them in MALCO pursuant to and in terms of Scheme of Amalgamation. These equity shares are proposed to be listed on BSE Limited post Amalgamation.

STATUTORY AUDITOR

M/s Kothari & Gupta Associates

Chartered Accountants,

19, Ground Floor, National Chambers, Near City Gold Cinema, Ashram Road, Ahmedabad - 380 009.

Phone No.: 079 26586108 **Email:** kotharigupta@gmail.com

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in relation to this Scheme of Amalgamation. For taking an investment decision, investors must rely on their own examination of the Scheme of Amalgamation, including the risks involved. The Equity Shares have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the information given herein. Specific attention of the investors is invited to the section titled "Risk Factors" at page 7 of this document.



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DETAILS OF PROMOTERS OF MALCO

1. Mr. Mahendra R. Shah

Mr. Mahendra R. Shah, aged about 54 years, is Director of MALCO. Mr. Shah is a Science graduate from the Gujarat University. He started his business journey in 1992 and has over 25 years of rich industrial experience. He has experience in capital markets, textile and sugar business prior to entering into the metal business. He has represented Metal Industry on various topics of public interest in different forums. He has strong domain knowledge of Indian Metal Industry with good understanding of manufacturing, sales, imports, exports, International Markets and proven ability in business, setting up systems and procedures for robust growth.

He is having rich experience in the field of Corporate and Strategic Planning, Corporate Finance & Restructuring, Risk Management System and Process Implementation, raising capital through innovative financial products and is a good leader with strong relationship with stakeholders and employees.

Mr. Mahendra R. Shah is spouse of Mrs. Pushpa M. Shah and Father of Mr. Jatin M. Shah.

2. Mrs. Pushpa M. Shah

Mrs. Pushpa M. Shah aged about 50 years, is a commerce graduate from the Maharashtra University. She is having expertise in functional areas of MALCO and has experience of over 17 years in the aluminium industry. She is instrumental in the growth of the MALCO.

Mrs. Pushpa M. Shah is spouse of Mr. Mahendra R. Shah and Mother of Mr. Jatin M. Shah.

3. Mr. Jatin M. Shah

Mr. Jatin M. Shah, aged about 33 years is a commerce graduate having experience of more than 10 years in aluminium industry. He is director in MALCO since June, 2012.

He was appointed Chairman of Gujarat chapter of Auto Die Casting Components and is actively engaged in the management of the MALCO and looks into the marketing of its products.

He is son of Mr. Mahendra R. Shah and Mrs. Pushpa M. Shah.

4. Mrs. Rani J. Shah

Mrs. Rani J Shah, aged about 33 years, is a Commerce Graduate from Gujarat University, Ahmedabad, having over 8 years of experience as a lady entrepreneur. She is having knowledge in Metal Industry and has strong competency in Cost Analysis & Budgeting in business. She is also engaged in various social activities / services and is part time fashion designer.

5. Ms. Pooja Shah

Ms. Pooja M Shah, aged about 26 years, is post graduate in commerce from Gujarat University, Ahmedabad. She joined the business in 2012 and has over 5 years of experience. She has represented Metal Industry on various topics of public interest in different forums. She has good understanding of imports, exports and is actively involved in business development and marketing.



BUSINESS MODEL/OVERVIEW AND STRATEGY

Mahendra Aluminium Company Limited is engaged in manufacturing aluminium products and trading in aluminium scrap. The Company has through innovative products, quality products and affordable prices helped customers enjoy better quality products.

The Company is one of the prominent names in aluminum recycling and ferro alloys segment. With a progressive vision and the requisite industrial capacity, the company presently caters to steel and power sector through manufacturing and supply of Aluminium Deox products viz; Aluminium Cubes and Aluminium Ingots.

The Company's progressive infrastructure is its major strength. The company's delivery time is generally 2-3 days for all major orders, which is considered to be one of the lowest in the industry. It has highly equipped in house manufacturing facility with the best combination of man and machine.

BRIEF DETAILS OF THE SCHEME

Transferor Company	Mahendra Aluminium Company Limited
Transferee Company	Arfin India Limited
Appointed Date	April 01, 2017
Swap Ratio	31 (Thirty One) Equity Shares of the face value of Rs. 10/- each as fully paid up of the Transferee Company for every 100 (Hundred) Equity Shares of the face value of Rs 10/- each held in the Transferor Company
Date of Approval by the Board	May 20, 2017
Brief Objects of Scheme	<ul style="list-style-type: none"> - Consolidation and Integration of business operation leading to greater efficiency. - Cost Reduction and Economies of Scale. - Better Utilization of Resources. - Pooling of Resources and increase in Competitiveness. - Increase in Market Share.

CAPITAL STRUCTURE AS ON DATE

Particulars	Amount (INR)
Authorised Share capital	
15,00,000 Equity Shares of face value of INR 10/- each	1,50,00,000
TOTAL	1,50,00,000
Issued, subscribed and paid-up Equity Share Capital	
11,85,000 fully-paid up equity shares of face value of INR 10/- each	1,18,50,000
TOTAL	1,18,50,000



BOARD OF DIRECTORS

The Board of Directors of MALCO comprises of following directors:

Sr. No.	Name	DIN	Designation	Qualification & Experience
1	Mr. Mahendra R. Shah	00182746	Director	Science graduate with experience of more than 22 years in the Aluminium Industry and having rich experience in the field of Corporate and Strategic Planning, Corporate Finance & Restructuring, Risk Management System and Process Implementation, raising capital through innovative financial products.
2	Mrs. Pushpa M. Shah	00182754	Additional Director	Commerce graduate from the Maharashtra University and having expertise in functional areas of the Company and has experience of over 17 years in the Aluminium industry.
3	Mr. Jatin M. Shah	00182683	Director	Commerce graduate with experience of more than 10 years in the Aluminium Industry.

SHAREHOLDING PATTERN

Sr. No	Name of Shareholders	Pre- Scheme Holding		Shares to be issued pursuant to Scheme
		No. of Shares held	%	No. of Shares
A	Promoter & Promoter Group:			
1	Mr. Mahendra R. Shah	98,900	8.35	30,659
2	Mrs. Pushpa M. Shah	7,600	0.64	2,356
3	Mahendra R. Shah – HUF	90,900	7.67	28,179
4	Mr. Jatin M. Shah	2,93,400	24.76	90,954
5	Mrs. Rani J. Shah	2,89,200	24.41	89,652
6	Ms. Pooja Shah	2,85,000	24.05	88,350
	Total (A)	10,65,000	89.87	3,30,150
B	Public Shareholder			
1	Sunderdevi J. Nahta	60,000	5.06	18,600
2	Jyotikadevi J. Nahta	60,000	5.06	18,600
	Total (B)	1,20,000	10.13	37,200
	Total Shareholding (A+B)	11,85,000	100.00	3,67,350



FINANCIAL PERFORMANCE

The brief financial performance of MALCO for preceding five financial years is as under:

(Amount in Rs. Lakhs unless otherwise stated)

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Total Income from operation	10,589.58	7,470.71	7,704.95	6,937.81	5330.57
Net Profit/(loss) before tax & extraordinary items	205.43	56.86	123.59	48.08	30.64
Net Profit/(loss) after tax & extraordinary items	132.99	39.05	83.08	33.61	21.48
Equity Share Capital	118.50	118.50	118.50	118.50	118.50
Reserves & Surplus	567.26	434.27	395.21	312.25	278.64
Net Worth	685.76	552.77	513.71	430.75	397.14
Basic earnings per share	11.22	3.30	7.01	2.84	1.81
Diluted earnings per share	11.22	3.30	7.01	2.84	1.81
Return on Net Worth (%)	19.39	7.06	16.17	7.80	5.41
Net Asset Value per share	57.87	46.65	43.35	36.35	33.51

OBJECTS OF MALCO

The main objects for which MALCO was incorporated are as under:

- a. To set up, operate, fabricate, market and deal in steel furnace, steel rolling mills, steel rolling plant and to re-roll mild, low, medium, high carbon and alloy steel and alloy cold rolled and hot rolled strips, refine alloy and manufacture ingots, skelped billets of special steel and alloy steels and to act as steel makers, steel converters ship breakers and to manufacture metallurgical products in all forms.
- b. To manufacture, produce, trade, export, import, market and deal in re-rolled sections of all sizes and specifications of ferrous and nonferrous, including angles, bars, flats, plates, rods, rails, rounds, octagons, hexagons, joint channels, sheets, strips, plates and cold twisted bars and other structures, steel extruded sections, forgings and to manufacture and deal in domestic goods made up of any metals and to manufacture and deal in steel and aluminium furniture and foils manufactured from aluminium and other ferrous and non-ferrous metals.
- c. To carry on the business of manufacturers, fabricators, exporters of and dealers in wrought iron, pig iron, copper, brass, aluminium and other metals, metal alloys and scrap metals, skullcap and metallic residue and mineral substances or compounds or products of any kind or description whatever.
- d. To provide consultancy and other services including financial, investment, management, technical and making of surveys and reports thereon and to manage the invest portfolios of various individuals, firms, companies and other persons and to act as consultants for estates properties and other assets, to carry on promotion of business and in particular to form, constitute, float, to finance, lead and advance moneys, prepare projects and feasibility reports and credit appraisal reports for and on behalf of any companies, associates, undertakings, firms, individuals and all other entities.



- e. To undertake bills discounting business, to purchase, finance, discount, rediscount, bills of exchange, to act as a discount and acceptance house, to arrange acceptance or co-acceptance of bills.

RISK FACTORS

The Company is proposing a Scheme of Amalgamation with MALCO and post Amalgamation the business of MALCO will be merged with the Company. The proposed Amalgamation involves certain elements of risks which, *inter alia*, include the following:

1. Non-receipt of necessary approval:

The proposed amalgamation is subject to approval of shareholders and creditors of the respective companies, approval of BSE Limited (Stock Exchange), SEBI and NCLT. Non-receipt of approval from any of the aforementioned authority will defeat the proposed amalgamation and the objects and benefits mentioned in the proposed scheme will not be achieved.

2. Failure of Post Amalgamation Integration:

Post amalgamation the business of MALCO will be merged with existing business of the Company which involves integration of entire business systems, policies, procedures etc. any failure in integration of businesses will adversely affect the operation of the Company and may erode the financial performance of the Company.

3. Rationalization:

The business growth of MALCO is largely dependent upon the strategic decisions and leadership of its Key Managerial Personnel (KMP). Post Amalgamation, the Company may as a part of rationalization, discontinue services of employees including KMPs of MALCO. This rationalization may adversely affect the objects for which the amalgamation is proposed.

4. Non-renewal of Licenses:

The business of MALCO is subject to certain licenses and permits which requires renewal from time to time. Post amalgamation all those licenses and permits will be shifted in the name of the Company and any failure of the Company to renew any such license or permit may adversely affect the continuance of the business.

5. Increased cost of operation:

The proposed amalgamation of MALCO will extend the business operation of the Company and this may increase the cost of operating the business of the Company.

SUMMARY OF OUTSTANDING LITIGATIONS

- a. Total No. of Litigation outstanding against the company and total amount involved in it: NIL
b. Top 5 Material Litigation outstanding against the Company: NIL
c. Regulatory Action against the Company by ROC, MCA or other authority: NIL
d. Brief details of criminal proceeding against the promoters of the Company: NIL



e. Miscellaneous pending proceeding(s):

During financial year 2016-17, till the month of August 2016, the company has imported raw material Throb Ingots and paid custom duty as per the applicable rate i.e. 2.5% of material value, considering as it is raw material for company. From the month of August 2016, company has imported same material and Custom department (Mundra Port & Ahmedabad ICD) has issued notice considering the same material as finished goods and demanded custom duty @7.5% of material value. The matter went for debate and only for the clearance of material from custom department, the Company has deposited difference amount as extra custom duty of ₹ 134,484/- (At Mundra Port) and given Bank Guarantee for extra custom duty of ₹ 43,93,690/- (At Mundra Port & Ahmedabad ICD) at the cost of litigation against the custom department.

Company has filed appeal before Commissioner of Custom Appeals, Ahmedabad, against the custom demand and the Matter is pending.

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of SEBI Circular and Part D of Schedule VIII of SEBI (ICDR) Regulations, 2009 have been complied with and no statement made in this Information Document is contrary to the provisions of SEBI Circular or SEBI (ICDR) Regulations, 2009. We further certify that all statements in this Information Memorandum are true and correct.



BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT AHMEDABAD
CA (CAA) NO. 106/NCLT/AHM/2017

In the matter of the Companies Act, 2013;

And

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

And

In the matter of Scheme of Amalgamation of
Mahendra Aluminium Company Limited with Arfin
India Limited;

Mahendra Aluminium Company Limited, a company
incorporated under the provisions of the Companies Act, 1956 and having its registered office at "B-302,
Pelican House, Gujarat Chambers Of Commerce,
Ashram Road, Ahmedabad, Gujarat, India-380009.

**UNSECURED CREDITORS
FORM OF PROXY**

I/We, _____, the undersigned unsecured Creditor of Mahendra Aluminium Company Limited, being
the Applicant Company above named, do hereby appoint Mr./Ms. _____ of
_____ and failing him/her _____ of
_____ as my/our proxy, to act for me/us at the meeting of the Unsecured creditors
of the Applicant Company to be held at Ground Floor Hall, Gujarat Chamber of Commerce Building, Ashram
Road, Ahmedabad-380009, on Wednesday, the 13th day of December 2017 at 1.30 PM for the purpose of
considering and, if thought fit, approving, with or without modification(s), the amalgamation embodied in the
Scheme of Amalgamation of Mahendra Aluminium Company Limited with Arfin India Limited; (the "Scheme")
and at such meeting, and at any adjournment or adjournments thereof, to vote, for me/us and in my/our
name(s) _____ (here, if 'for', insert 'FOR', if 'against', insert 'AGAINST', and in the latter case, strike
out the words below after 'the Scheme') the said amalgamation embodied in the Scheme, either with or without
modification(s)*, as my/our proxy may approve. (*Strike out whatever is not applicable)

Dated this ____ day of _____ 2017.

Signature:- _____

Name: _____

Address: _____

Signature of Unsecured Creditor

:- _____

Signature of Proxy

:- _____

Affix Rs.1
Revenue
Stamp

Notes:

1. The proxy must be deposited at the registered office of Mahendra Aluminium Company Limited at B-302, Pelican House, Gujarat Chambers Of Commerce, Ashram Road, Ahmedabad, Gujarat, India-380009, at least 48 (forty-eight) hours before the scheduled time of the commencement of the said meeting.
2. All alterations made in the form of proxy should be initialed.
3. Please affix appropriate revenue stamp before putting signature.
4. In case of multiple proxies, the proxy later in time shall be accepted.
5. Proxy need not be an unsecured creditor of Mahendra Aluminium Company Limited.
6. No person shall be appointed as a proxy who is a minor.
7. The proxy of an unsecured creditor, blind or incapable of writing, would be accepted if such secured creditor has attached his signature or mark thereto in the presence of a witness who shall add to his signature his description and address: provided that all insertions in the proxy are in the handwriting of the witness and such witness shall have certified at the foot of the proxy that all such insertions have been made by him at the request and in the presence of the unsecured creditor before he attached his signature or mark.
8. The proxy of a unsecured creditor who does not know English would be accepted if it is executed in the manner prescribed in point no. 7 above and the witness certifies that it was explained to the unsecured creditor in the language known to him, and gives the unsecured creditor's name in English below the signature.

MAHENDRA ALUMINIUM COMPANY LIMITED

Registered Office

B-302, Pelican House, Gujarat Chambers Of Commerce, Ashram Road,
Ahmedabad, Gujarat, India-380009
Tel No 079-26583791, 079-26583792
CIN U65910GJ1995PLC025589
Website www.arfin.co.in
E-mail mahendra@arfin.co.in

UNSECURED CREDITORS ATTENDANCE SLIP

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

MEETING OF

THE UNSECURED CREDITORS

ON WEDNESDAY THE 13th DAY OF DECEMBER 2017 AT 1.30 PM.

I/We hereby record my/our presence at the meeting of the Unsecured creditors of Mahendra Aluminium Company Limited, convened pursuant to the order dated 13th day of October 2017, of the NCLT at Ground Floor Hall, Gujarat Chamber of Commerce Building, Ashram Road, Ahmedabad-380009, on Wednesday, the 13th day of December 2017 at 1.30 PM.

Name and address of unsecured creditor

(IN BLOCK LETTERS) :

Signature :

Name of the Proxy* :

(IN BLOCK LETTERS)

Signature :

*(To be filled in by the Proxy in case he/she attends instead of the unsecured creditor)

Notes:

1. Unsecured creditors attending the meeting in person or by proxy or through authorised representative are requested to complete and bring the Attendance slip with them and hand it over at the entrance of the meeting hall.
2. Unsecured creditors who come to attend the meeting are requested to bring their copy of the Scheme with them.

Route Map for the venue of the meeting

- Gujarat Chamber of Commerce Hall (GCC Hall),
Opp. H. K. College, Ashram Road,
Ahmedabad – 380009, Gujarat, India

