

Ref: NSE/LIST/26733

May 19, 2015

The Company Secretary
Apar Industries Limited
301, Panorama Complex,
R.C. Dutt Road,
Vadodara, Gujarat - 390007

Kind Attn.: Ms. Sanjaya Kunder

Dear Madam,

Sub: Observation letter for draft Scheme of Arrangement in the nature of Amalgamation of Apar Lubricants Limited with Apar Industries Limited.

This has reference to draft Scheme of Arrangement in the nature of Amalgamation of Apar Lubricants Limited with Apar Industries Limited submitted to NSE vide your letter dated March 2, 2015.

Based on our letter reference no Ref: NSE/LIST/2239 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 04, 2013 and SEBI Circular no. CIR/CFD/DIL/8/2013 dated May 21, 2013, SEBI has vide letter dated May 19, 2015, has given following comments on the draft Scheme of Arrangement in the nature of Amalgamation:

“a. The scheme shall provide for voting by public shareholders through postal ballot and e-voting w.r.t. the acquisition of shares in the past by AIL from the shareholders of ALL which are also the promoters of AIL, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution and that the scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it, in compliance with para 5.16(a) of aforesaid SEBI Circular

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

We hereby convey our ‘No-objection’ with limited reference to those matters having a bearing on listing/delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with Hon’ble High Court.

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

The validity of this “Observation Letter” shall be six months from May 19, 2015, within which the Scheme shall be submitted to the Hon’ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon’ble High Court, you shall submit to NSE the following:

1.



- a. Copy of Scheme as approved by the High Court;
- b. Result of voting by shareholders for approving the Scheme;
- c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme.
- d. Status of compliance with the Observation Letter/s of the stock exchanges
- e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f. Complaints Report as per Annexure II of SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013.

Yours faithfully,
For National Stock Exchange of India Limited

Kamlesh Patel
Manager

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

This Document is Digitally Signed

Signer : Patel Kamlesh
Date: Tue, May 19, 2015 20:09:43 GMT+05:30
Location: NSE



DCS/AMAL/KS/24(f)/354/2015-16

May 20, 2015

The Company Secretary,
Apar Industries Ltd.
301, Panorama Complex,
R C Dutt Road,
Vadodara,
Gujarat, 390 007.

Sub: Observation letter regarding the Scheme of Arrangement involving amalgamation of M/s Apar Lubricants Limited with M/s Apar Industries Limited.

We are in receipt of Scheme of Arrangement involving Amalgamation of M/s Apar Lubricants Limited (ALL) with M/s Apar Industries Limited (AIL).

As required under SEBI Circular No. CIR/CFD/DIL/5/2013 dated February 4, 2013 & SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013; SEBI vide its letter May 19, 2015 has inter alia given the following comment(s) on the draft scheme of arrangement:

- *The scheme shall provide for voting by public shareholders through postal ballot and e-voting w.r.t. the acquisition of shares in the past by AIL from the shareholders of ALL which are also the promoters of AIL, after disclosure of all material facts in the explanatory statement sent to shareholders in relation to such resolution and that the scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it, in compliance with para 5.16(a) of the aforesaid SEBI circular.*
- *Company shall duly comply with various provisions of the Circulars.*

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

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

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

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

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

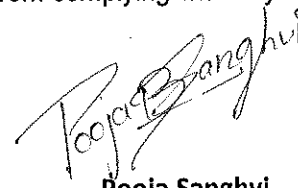
The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations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

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

Yours faithfully,



Nitin Pujari
Manager



Pooja Sanghvi
Asst. Manager