

YASH PAKKA LIMITED

CIN- L24231UP1981PLC005294

Regd. Office: 2nd Floor, 24/57, Birhana Road, Kanpur, Uttar Pradesh – 208001

Website: www.yashpakka.com **Email ID:** connect@yashpakka.com

Contact No.: +91-5278-258174

**NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE SECURED
CREDITORS MEETING OF YASH PAKKA LIMITED**

*(convened pursuant to an order dated 26th day of August, 2021 passed by the National
Company Law Tribunal, Bench at Allahabad)*

Tribunal Convened Meeting Brief Details:

Day: Thursday

Date: October 7, 2021

Time: 01:30 p.m.

Venue: Yash Nagar, Ayodhya – 224133, Uttar Pradesh

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Date: 1st September, 2021

Place: Prayagraj

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH
CA (CAA) No. (IB) 06/ALD/2021**

In the matter of Companies Act, 2013;
And
In the matter of Sections 230 to 232 of
the Companies Act, 2013;
And
In the matter of Scheme of Merger by
Absorption of Yash Compostables Ltd.
(the "**Transferor Company/ Applicant
Company No. 1**") AND Yash Pakka
Ltd. (the "**Transferee/ Resulting
/Applicant Company No. 2**");
And
their respective shareholders.

Yash Pakka Limited (CIN:)
L24231UP1981PLC005294), a company)
incorporated under the Companies Act,)
1956, having its registered office situated at)
2nd Floor, 24/57, Birhana Road, Kanpur,)
Uttar Pradesh – 208001)

... Applicant Company No. 2/
Transferee Company/ YPL

**NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE SECURED
CREDITORS OF YASH PAKKA LIMITED**

**FORM NO. CAA 2
[Pursuant to Section 230 (3) and rule 6 and 7]**

Notice is hereby given that by an Order dated 26th day of August, 2021 passed by the Allahabad Bench of National Company Law Tribunal has *inter alia* directed a meeting of the Secured Creditors of Yash Pakka Limited to be held for the purpose of considering, and if thought fit, approving with or without modification, the Scheme of Merger by absorption of Yash Compostables Limited ("**YCL**" or "**Transferor Company**") by Yash Pakka Limited ("**YPL**" or "**Transferee Company**").

The Hon'ble National Company Law Tribunal, Allahabad Bench had *vide* its order dated August 9, 2021 directed the Transferee Company to convene a meeting of the Secured Creditors, however, due to certain typographical errors that had crept in the said order, the Transferee Company approached the Hon'ble National Company Law Tribunal, Allahabad Bench to seek certain modifications. In view of the same, the Hon'ble National Company Law Tribunal, Allahabad Bench *vide* its Order dated August 26, 2021 was pleased to direct the Transferee Company to convene a meeting Secured Creditors on 7th day of October, 2021 at 01:30 p.m.

In pursuance of the said Order and as directed therein, further notice is hereby given that, a meeting of the Secured Creditors of the Transferee Company will be held at Yash Nagar, Ayodhya – 224133, Uttar Pradesh on 7th day of October, 2021 at 01:30 p.m. with the facility of voting (*physically OR electronically*), when you are requested to attend. At the meeting the following resolution to be submitted for approval of the Secured Creditors of the Transferee Company at their meeting, and if thought fit, be passed with or without modification(s):

"RESOLVED THAT *pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, to the extent still applicable provisions of the Companies Act, 1956, along with the rules and regulations issued thereunder, including any statutory modifications, re-enactments or amendments made thereto from time to time, subject to the Memorandum of Association and Articles of Association of the Company, approval from the members of the Company, approval from its creditors and subject to the sanction of the National Company Law Tribunal ('NCLT') constituted under the Companies Act, 2013, and subject to the approval of any other statutory or governmental authorities, the Draft Scheme of Merger by absorption of Yash Compostables Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated at Flat No. 202, 3A/172 Azad Nagar, Kanpur, Uttar Pradesh – 208002 ("YCL") by the Company and their respective shareholders ("**Scheme**") with certain minor modifications as set out herein below which is placed before the meeting and initialed by the Chairman for the purpose of identification, be and is hereby approved.*

The current Clause 11 of the Scheme shall stand deleted and replaced with the following as under:

11. ACCOUNTING TREATMENT IN BOOKS OF YPL:

11.1. The merger of YCL with YPL is a 'Business combinations of entities ' within the meaning of Indian Accounting Standard ("Ind AS") 103 issued by the Central Government u/s 133 of the Companies Act, 2013 or any applicable standard prevailing. Upon the Scheme coming into effect:

11.1.1. YPL shall recognize the accounting treatment for this Scheme, upon the Scheme becoming effective, in accordance with the provisions of Ind AS 103 as notified under section 133 of the Companies Act, 2013.

11.1.2. To the extent that there are inter-corporate loans/trade deposits, debentures, debt securities or balances between YCL and YPL, the obligation in respect thereof shall come to an end and corresponding effect shall be given in the books of account and the records of YPL for the reduction / netting of any assets or liabilities, as the case may be.

RESOLVED FURTHER THAT upon sanction of the said Scheme by the NCLT and upon the Scheme becoming effective, without any further act or deed on the part of YPL, YPL will, in aggregate, issue and allot 28,38,719 (Twenty Eight Lakhs Thirty Eight Thousand Seven Hundred Nineteen) fully paid-up equity equity shares of Rs.10 each (the "New Equity Shares") to the registered fully paid-up equity shareholders of YCL, whose names are recorded in the register of equity shareholders of the Company on the Record Date, in the ratio of 56.77: 1 i.e. 56.77 (Fifty Six Point Seventy Seven) of Rs.10 each credited as fully paid up in YPL for every 1 (One) equity shares of Rs.10 each fully paid up held by them in YCL.

RESOLVED FURTHER THAT Upon the Scheme coming into effect, YCL shall without any further act or deed, stand dissolved without winding up.

RESOLVED FURTHER THAT Mr. Jagdeep Hira, Managing Director, Mr. Narendra Kumar Agrawal, Director Works, Mr. Jignesh Shah, Chief Financial Officer and Ms. Bhavna Patel, Company Secretary & Compliance Officer of the Company be and are hereby severally authorised to make such alterations and changes in the Scheme, as may be expedient and necessary for satisfying the requirement(s) or conditions imposed by the NCLT or any other statutory authorities as may be required, provided that prior approval of the Board shall be obtained for making any material changes in the said draft Scheme, as approved in this meeting.

RESOLVED FURTHER THAT the Directors of the Company, be and are hereby severally authorised to do, or cause to be done all such acts, deeds and things, and/or file all such documents, as may be necessary for the sanctioning and implementation of the Scheme."

In pursuance of the said Order and as directed therein, further notice is hereby given that, a meeting of the Secured Creditors of the Company will be held at Yash Nagar, Ayodhya – 224133, Uttar Pradesh on the 7th day of October, 2021 at 01:30 p.m. at which time and place the said members are requested to attend.

Form of proxy is also annexed to this Notice and can be obtained from the registered office of the Company or from the office of its Advocates as mentioned in this Notice.

Copies of the said Scheme and of the statement under section 230 can be obtained free of charge at the registered office of the Company or at the office of its Advocates, Rajani Associates, 204-207 Krishna Chambers, 59 New Marine Lines, Mumbai 400020.

The Tribunal has appointed Mr. Shivendra Bahadur as a Chairman of the Meeting and Mr. Adarsh Bhusan as alternate Chairman of the said meeting. The above-mentioned merger, if approved at the meeting, will be subject to the subsequent approval of the Tribunal. 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.

Dated this 1st day of September, 2021

Place: Prayagraj

Sd/-
Shivendra Bahadur
Chairperson appointed for the meeting.

Registered Office:

2nd Floor, 24/57, Birhana Road
Kanpur, Uttar Pradesh – 208001

NOTES:

1. Only Secured Creditors of the Company may attend and vote (*either in person or by proxy or by authorised representative under applicable provisions of the Companies Act*) at the Secured Creditors meeting. The authorized representative of a body corporate which is a Secured Creditors of the Company may attend and vote at the Secured Creditors meeting 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 Secured Creditors meeting is deposited at the registered office of the Company not later than 48 hours before the meeting.

2. The form of proxy can be obtained free of charge from the Registered Office of the Company. All alterations made in the form of proxy should be initialled.
3. A Secured Creditor or his Proxy is requested to bring the copy of this notice at the meeting, and produce it at the entrance of the meeting venue, the enclosed attendance slip duly completed and signed.
4. In view of COVID-19 pandemic, the Company proposes to provide its Secured Creditors with an option of attending the meeting through Video Conferencing in terms of the Guidelines issued by the Ministry of Corporate Affairs and the relevant provisions of the Companies Act, 2013, if any.
5. Only Secured Creditors of the Transferee Company may attend and vote at the Secured Creditors meeting. The authorized representative of a body corporate which is a Secured Creditors of the Transferee Company may attend and vote at the Secured Creditors meeting 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 Secured Creditors meeting is shared with the Scrutinizer on purswanianil@gmail.com not later than 48 hours before the meeting.
6. During the period beginning 24 (*twenty four*) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a Secured Creditor would be entitled to inspect the proxies lodged at any time during the business hours of the Transferee Company, provided that not less than 3 (three) days of notice in writing is given to the Transferee Company.
7. A Secured Creditor or his proxy, attending the meeting, is requested to bring the Attendance Slip duly completed and signed.
8. The voting rights of Secured Creditors shall be in proportion to the principal amount due to them as on closure of business hours on 30th September, 2020 ("**Cut-off Date**"). The Secured Creditors may refer to notes to this notice for further details on Video Conferencing.
9. In case of any difficulty in attending the meeting through Video Conferencing etc., the following persons may be contacted:

Mr. Rati / Mr. Lokesh	+918860460391
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10. The Notice, together with the documents accompanying the same, is being sent to all the Secured Creditors either by registered post by courier or by speed post or electronically by e-mail as on 4th September, 2021.
11. Secured Creditors who have not registered their e-mail addresses, can get the same registered by sending the request to the Company at secretarial@yashpakka.com.
12. The Secured Creditors can opt only one mode for voting during the Meeting (*physically OR electronically*). Once the vote on the resolution is cast by Secured Creditors, he or she will not be allowed to change it subsequently.
13. The Notice will be displayed on the website of the Transferee Company [www. Yashpakka.com](http://www.Yashpakka.com) and on the website of NSDL - <https://www.evoting.nsdl.com> .
14. The notice convening the meeting will be published through advertisement in (i) English daily, i.e., Times Of Times in English language; and (ii) translation thereof in Dainik Jagran, Kanpur Edition in vernacular language.
15. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority of persons representing three fourth in value of the Secured Creditors of the Transferee Company, voting during the meeting, agree to the Scheme.
16. Mr. Anil Kumar, Company Secretary in practice, has been appointed as the scrutinizer to conduct the voting at the meeting in a fair and transparent manner.
17. The scrutinizer will submit his combined report to the Chairperson of the meeting after completion of the scrutiny of the votes casted by the Secured Creditors of the Transferee Company at the meeting (*physically OR electronically*). The scrutinizer's decision on the validity of the vote shall be final. The results of votes cast at the meeting (*physically OR electronically*) will be announced on or before 9th October, 2021 at the Registered Office of the Transferee Company. The results, together with the scrutinizer's Reports, will be displayed at the Registered Office of the Transferee Company, on the website of the Transferee Company - www.yashpakka.com and on the website of NSDL i.e. <https://www.evoting.nsdl.com> besides being communicated to BSE Limited.
18. The quorum for the meeting of the Secured Creditors of the Transferee Company shall be 25% of total value of the Secured Creditors in number in person as fixed by the NCLT, Allahabad Bench. Secured Creditors attending the meeting through Video Conferencing shall be counted for the purpose of reckoning the quorum.

19. In case the quorum as noted above for the meeting of the Secured Creditors of the Transferee Company are not present, then the meeting of the Secured Creditors of the Transferee Company shall be adjourned for half an hour and thereafter the person present shall be deemed to constitute the quorum.
20. Any queries/grievances in relation to the voting may be addressed to Ms. Bhavna Patel, Company Secretary, at the Registered Office of the Company at 2nd Floor, 24/57, Birhana Road, Kanpur, Uttar Pradesh – 208001 or through email to secretarial@yashpakka.com. Ms. Bhavna Patel of the Transferee Company can also be contacted at +91 78000-08301. Such queries/grievances shall be sent in such a way that the Company will receive the same at least 7 (seven) days before the meeting Any query/grievance related to the voting may be addressed to NSDL.
21. All documents referred to in the Notice and the Explanatory Statement annexed hereto, are open for inspection up to one day prior to the said meeting, at the Registered Office of the Transferee Company between 11.00 a.m. and 1:00 p.m. on all working days of the Transferee Company (except Saturdays, Sundays and Government Holidays).
- 22. INSTRUCTIONS FOR ATTENDING THE COURT CONVENING MEETING OF SECURED CREDITORS THROUGH VC/OAVM WILL BE SENT SEPARATELY TO YOUR EMAIL ID AS REGISTERED WITH THE COMPANY.**

EXPLANATORY STATEMENT TO THE NOTICE OF THE MEETING OF SECURED CREDITORS OF YASH PAKKA LIMITED UNDER SECTION 102 AND 230 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
BENCH, AT ALLAHABAD
CA (CAA) No. (IB) 06/ALD/2021**

In the matter of Scheme of Merger by Absorption of Yash Compostables Ltd. (the "*Transferor Company/ Applicant Company No. 1*") AND Yash Pakka Ltd. (the "*Transferee/ Resulting /Applicant Company No. 2*");

And

their respective shareholders.

Yash Pakka Limited

...Transferee Company/YPL

In this Statement, Yash Compostables Limited is hereinafter referred to as "*Transferor Company*" or "*YCL*", and Yash Pakka Limited is hereinafter referred to as the "*Transferee Company*" or "*YPL*". The other definitions contained in the enclosed Scheme of Merger by absorption of Yash Compostables Limited by Yash Pakka Limited and their respective shareholders and creditors (the "*Scheme*") will also apply to this statement under Section 230 of the Companies Act, 2013 (the "*Explanatory Statement*")

The Explanatory Statement sets forth the details of the proposed Scheme, its effects, and in particular any material interests of the Directors in their capacity as member(s) or creditors or otherwise.

1. ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, ALLAHABAD BENCH

- 1.1. Pursuant to an Order passed on 26th day of August, 2021 by the Hon'ble National Company Law Tribunal, Allahabad Bench (the Tribunal) in the Company Scheme Application referred to hereinabove, a meeting of the Secured Creditors of the Transferee Company will be convened and held on the 7th day of October, 2021 at 01:30 .m. at Yash Nagar, Ayodhya – 224133, Uttar Pradesh physically as well as via

video conferencing, for the purpose of considering and, if thought fit, approving with or without modification(s) the proposed Scheme.

- 1.2. A copy of the Scheme, setting out the terms and conditions of the Scheme is enclosed hereto as **Annexure A**.
- 1.3. A copy of the CA (CAA) No. (IB) 06/ALD/2021 comprising the Scheme and along with all the annexures has been served upon the Regional Director and the Official Liquidator.

2. SCHEME AND ITS APPROVAL OF THE BOARD OF DIRECTORS

- 2.1. The proposed Scheme *inter-alia* envisages:
 - 2.1.1. Merger, transfer and vesting of the Transferor Company on a going concern basis with/ into the Transferee Company; and
 - 2.1.2. Various other matters consequential or otherwise integrally connected herewith.
 - 2.1.3. The Scheme has been approved by the Board of Directors of the Transferee Company on June 20, 2020 by passing necessary Resolution.

3. BRIEF DETAILS OF THE TRANSFEROR COMPANY

- 3.1. The Transferor Company is a public unlisted company incorporated under the Companies Act, 1956 and is having its registered office at Flat No. 202, 3A/172 Azad Nagar, Kanpur, Uttar Pradesh – 208002.
- 3.2. YCL is a public unlisted company which was originally incorporated under the name and style "*Yash Ecoenergy Limited*" under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated February 27, 2014 issued by the Registrar of Companies, Uttar Pradesh. Thereafter, the name of the company was changed from "*Yash Ecoenergy Limited*" to its present name i.e. "*Yash Compostables Limited*" vide fresh Certificate of Incorporation pursuant to change of name dated July 3, 2018 issued by the Registrar of Companies (RoC), Kanpur.
- 3.3. The main objects of the Transferor Company as set out in its Memorandum of Association are reproduced below for ease of reference:

1. *"To act as marketers, sellers, buyers, distributors, exporters, importers, convertors, agents, stockists and agents for compostable and biodegradable products used in product packaging and food services.*
 2. *To act as an export house and to carry on any business in any way connected therewith.*
 3. *To act as export & import agents and purchase and sale representative to stockists, products, processing unit and units engaged in village industries, home industries, cottage industries, small, medium & large scale industries."*
- 3.4. The Share Capital of the Transferor Company as on March 31, 2021 is as under:

<i>Particulars</i>	<i>(Amount in Rs)</i>
Authorised Share Capital	
50,000 Equity Shares of Rs.10 each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up Capital:	
50,000 Equity Shares of Rs.10 each	5,00,000
Total	5,00,000

- 3.5. A copy of the latest Audited financial statement of the Transferor Company as on 31st March, 2021 is enclosed hereto as **Annexure B**.
- 3.6. Summary of the financial statements of the Transferor Company for the year ended March 31, 2020 and March 31, 2021 are available for inspection up to one day prior to the said meeting, at the Registered Office of the Transferor Company between 11.00 a.m. and 1:00 p.m. on all working days of the Transferor Company (*except Saturdays, Sundays and Government Holidays*).
- 3.7. YCL is *inter-alia* engaged in the business of trading of compostable products.
- 3.8. YCL is also a marketing company and has played a major role in development of the brand named 'Chuk' which is owned by YPL. YCL is expanding its business throughout the country. In view of the ban levied on plastic by certain states in our country which has resulted in the rise in the demand for compostable products. With the outbreak of COVID19 pandemic, the demand for disposable cutlery and plates has also increased instead of regular dinnerware. YCL has established logistic and supply chain network which is a pre-requisite for the growth of any FMCG product.

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

4. **BRIEF DETAILS OF THE TRANSFEREE COMPANY**

4.1. The Transferee Company was originally incorporated under the Companies Act, 1956 vide Certificate of Incorporation, issued by Registrar of Companies, U.P., dated May 5, 1981 under the name and style "*Yash Papers Limited*".

4.2. The name of the company was changed from "*Yash Papers Limited*" to "*Yash Pakka Limited*" vide fresh Certificate of Incorporation pursuant to change of name, vide order issued by the Registrar of Companies, Kanpur dated November 8, 2019.

4.3. The Corporate Identification Number of the Transferee Company is L24231UP1981PLC005294.

4.4. The registered office of the Transferee Company is situated at 2nd Floor, 24/57, Birhana Road, Kanpur, Uttar Pradesh – 208001.

4.5. The main objects of the Transferee Company as set out in its Memorandum of Association are reproduced below for ease of reference:

1. *"To carry on the business of Paper, Board, Pulp of every description processed from any suitable fibrous or other raw materials, natural or synthetic.*
2. *To carry on the business of manufactures of and dealers in all kinds and classes of paper, board and pulp processed from any suitable raw material including waste board, card board, strawboard, pulp board, leather board, mill board, corrugated board, liner board duplex and triple boards, hard board, plywood board, writing paper, printing paper, newsprint paper, absorbent paper, wrapping paper, tissue paper, blotting paper, filter paper, art paper bank or bond paper, grease proof paper, gummed paper, parchment paper, drawing paper, kraft paper, envelope paper, tracing paper, waterproof paper, carbon paper, photographic paper, post card, visiting cards, soda pulp, mechanical pulp, Sulphite pulp, semi-chemical pulp, and all kinds of articles in the manufacture of which in any form, paper board or pulp is used, and also to deal in or manufacture of which in any other articles or things of a character similar or analogous to the foregoing or any of them or connected*

therewith.

3. *To carry on business as consultants and advisers on various applications of the products and by-products of the Company and to undertake designing, servicing, erection, installation, execution and supply contracts for the same clients and prospective clients.*
 4. *To develop, cause to develop, produce and/or deal in the connected raw materials, knowhow and facilities required for the production of the connected raw material."*
- 4.6. The Share Capital of the Transferee Company as on March 31, 2021 is as under:

Particulars	(Amount in Rs)
Authorised Share Capital	
Equity Shares	
5,60,00,000 equity shares of Rs.10/- each	56,00,00,000
Preference Shares	
4,00,000 preference shares of Rs.100/- each	4,00,00,000
Total	60,00,00,000
Issued, Subscribed and Paid-up Capital:	
3,52,40,000 Equity shares of Rs.10 each	35,24,00,000
Total	35,24,00,000

- 4.7. A copy of the latest un-audited financial statement of the Transferee Company as on 30th June, 2021 is enclosed hereto as **Annexure C**.
- 4.8. Summary of the financial statements of the Transferee Company for the year ended March 31, 2020 and March 31, 2021 are available for inspection up to one day prior to the said meeting, at the Registered Office of the Transferee Company between 11.00 a.m. and 1:00 p.m. on all working days of the Transferee Company (*except Saturdays, Sundays and Government Holidays*).
- 4.9. YPL is mainly engaged in the business of manufacturing and trading of products like Pulp, Kraft Paper, Poster Paper, Moulded (Tableware) Products, Bagasse Pith Pallets, and Egg Tray.
- 4.10. YPL has more than 40 years of manufacturing experience in paper industry and possess all technical know-how into making of world class pulp which will ensure world class compostable products from the machine. The new machines are capable

of producing right quality products required domestically and internationally. In house production of pulp by YPL, which is a basic input for compostable products give YPL an edge over other competitors. With support from trusted marketing partner like YCL brand Chuk has become a popular name among the customers

- 4.11. The shares of the Transferee Company are are listed on Bombay Stock Exchange ("**BSE**").

5. SCHEME RESOLUTION FOR APPROVAL

- 5.1. The Resolution to be submitted for approval of the Secured Creditors of the Transferee Company at their meeting, will read as follows:

*"**RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, to the extent still applicable provisions of the Companies Act, 1956, along with the rules and regulations issued thereunder, including any statutory modifications, re-enactments or amendments made thereto from time to time, subject to the Memorandum of Association and Articles of Association of the Company, approval from the members of the Company, approval from its creditors and subject to the sanction of the National Company Law Tribunal ('NCLT') constituted under the Companies Act, 2013, and subject to the approval of any other statutory or governmental authorities, the Draft Scheme of Merger by absorption of Yash Compostables Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office situated at Flat No. 202, 3A/172 Azad Nagar, Kanpur, Uttar Pradesh – 208002 ("**YCL**") by the Company and their respective shareholders and creditors ("**Scheme**") with certain minor modifications as set out herein below which is placed before the meeting and initialed by the Chairman for the purpose of identification, be and is hereby approved.*

The current Clause 11 of the Scheme shall stand deleted and replaced with the following as under:

11. ACCOUNTING TREATMENT IN BOOKS OF YPL:

- 11.1. *The merger of YCL with YPL is a 'Business combinations of entities ' within the meaning of Indian Accounting Standard ("Ind AS") 103 issued by the Central Government u/s 133 of the Companies Act, 2013 or any applicable standard prevailing. Upon the Scheme coming into effect:*

11.1.1. YPL shall recognize the accounting treatment for this Scheme, upon the Scheme becoming effective, in accordance with the provisions of Ind AS 103 as notified under section 133 of the Companies Act, 2013.

11.1.2. To the extent that there are inter-corporate loans/trade deposits, debentures, debt securities or balances between YCL and YPL, the obligation in respect thereof shall come to an end and corresponding effect shall be given in the books of account and the records of YPL for the reduction / netting of any assets or liabilities, as the case may be.

RESOLVED FURTHER THAT upon sanction of the said Scheme by the NCLT and upon the Scheme becoming effective, without any further act or deed on the part of YPL, YPL will, in aggregate, issue and allot 28,38,719 (Twenty Eight Lakhs Thirty Eight Thousand Seven Hundred Nineteen) fully paid-up equity shares of Rs.10 each (the "New Equity Shares") to the registered fully paid-up equity shareholders of YCL, whose names are recorded in the register of equity shareholders of the Company on the Record Date, in the ratio of 56.77: 1 i.e. 56.77 (Fifty Six Point Seventy Seven) of Rs.10 each credited as fully paid up in YPL for every 1 (One) equity shares of Rs.10 each fully paid up held by them in YCL.

RESOLVED FURTHER THAT Upon the Scheme coming into effect, YCL shall without any further act or deed, stand dissolved without winding up.

RESOLVED FURTHER THAT Mr. Jagdeep Hira, Managing Director, Mr. Narendra Kumar Agrawal, Director Works, Mr. Jignesh Shah, Chief Financial Officer and Ms. Bhavna Patel, Company Secretary & Compliance Officer of the Company be and are hereby severally authorised to make such alterations and changes in the Scheme, as may be expedient and necessary for satisfying the requirement(s) or conditions imposed by the NCLT or any other statutory authorities as may be required, provided that prior approval of the Board shall be obtained for making any material changes in the said draft Scheme, as approved in this meeting.

RESOLVED FURTHER THAT the Directors of the Company, be and are hereby jointly/ or severally authorised to do, or cause to be done all such acts, deeds and things, and/or file all such documents, as may be necessary for the sanctioning and implementation of the Scheme."

6. RATIONALE AND BENEFITS OF THE SCHEME OF AMALGAMATION

- 6.1. The merger of the Transferor Company with the Transferee Company is based on the following rationale:
 - 6.1.1. YCL and YPL, belonging to the same group of management, it would be advantageous to combine the activities and operations in a single entity. The amalgamation would create synergies between two complementing companies with similar objective and business line.
 - 6.1.2. Both YPL and YCL have their independent B2B customer's and dealer networks, supply chain and logistic partners, the amalgamation will also provide synergistic linkages besides economies in costs by combining the total business functions in all segments including sales, procurement, logistic activities and the related activities and operations and thus contribute to the profitability of the amalgamated entity.
 - 6.1.3. Economies of scale will play a bigger role as the consolidated entity's operational efficiency will increase, which will in turn allow the merged entity to compete on a larger scale in the industry, thus benefiting the merged entity and the shareholders.
 - 6.1.4. The amalgamation will enable the merged entity to build up a diversified product portfolio in YPL and will assist the merged entity with faster and quicker decision making as both manufacturing and marketing activities are under the same management.
 - 6.1.5. The amalgamation will enable the merged entity to get direct access to customers which will give them a better understanding of the market taste and customer requirements. This will assist the merged entity to produce right quality required for different market segment.
 - 6.1.6. With YPL having a manufacturing experience of more than 40 years alongwith all the requisite technical know-how to produce in house paper pulp which is a basic input for compostable products, gives YPL an edge over other competitors and YCL a company involved in marketing will result in the merged entity to have all the necessary functions under one roof. It is considered desirable and expedient to consolidate and amalgamate the business of both YCL and YPL so as to bring both the functions will be under the same management, production planning process will become more aligned to the customer needs which will result in a stronger asset base and skills to conduct the business in the emerging environment and to rationalise the costs of business.
 - 6.1.7. The amalgamation will increase the net worth of YPL which would enable it to

capitalise upon such improved net worth to enhance the stake holders' value.

- 6.1.8. The amalgamation will increase financial strength, enhance flexibility and ability to raise larger resources, attract and retain better talent and undertake larger support services related projects.
- 6.1.9. The amalgamation will result in integration and effective utilisation of resources, which is likely to result in optimising overall shareholder value and improvement in competitive position of YPL as a combined entity.
- 6.1.10. The amalgamation will result in economy of scale, reduction in overheads, administrative and other expenditure, efficiency and optimal utilisation of various resources.
- 6.1.11. The amalgamation will bring both the entities under one roof to portray one face to all the parties with whom the Yash Group deals.
- 6.1.12. The amalgamation will result in better leveraging of facilities, infrastructure and resources.
- 6.1.13. Duplication of administrative functions together with the multiple record keeping will be eliminated, resulting in over-all reduction in expenditure.
- 6.1.14. The amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present is required to be made separately by YCL as well as by the YPL.
- 6.1.15. This merger will provide an opportunity to leverage assets and build a stronger sustainable business. It will provide an opportunity to fully leverage stronger asset capabilities, experience, expertise and infrastructure of both the companies and thus increased ability for promotion of business activities as well as for fund raising as may be required for business development.
- 6.1.16. The merger would lead to synergic benefits, efficiency of operations and management, rapid growth of the entity, optimum utilization of its resources and minimization of the administrative and operative costs.
- 6.1.17. The merger will result in a value creation for the shareholders and stakeholders of YCL and YPL as the combined amalgamated company will have improved efficiency, market share, financial structure, larger cash flows and stronger consolidated revenue

and profitability.

- 6.1.18. The merger of YCL with YPL would result in consolidation of business activities of both the companies and will facilitate effective management of investments and synergies in operation.
- 6.1.19. There is no likelihood that any shareholder or creditor or employee of YCL and YPL would be prejudiced as a result of the Scheme. Thus, the merger is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.
- 6.2. In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and approved the Scheme comprising of distinct but integrally connected arrangement under the provisions of Sections 230 to 232 of the Companies Act, 2013.

7. SALIENT FEATURES OF THE SCHEME

- 7.1. Merger of the Transferor Company with the Transferee Company:
- 7.2. "**Appointed Date**" means April 01, 2020 or such other date as the Adjudicating Body(ies) may direct or fix, for the purpose of amalgamation of YCL with YPL under this Scheme.
- 7.3. The entire assets, liabilities, business and undertaking (including, the Transferor Undertaking) of YCL shall, with effect from the Appointed Date and 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 YPL, as a going concern, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the relevant Act and in accordance with the provisions of Sections 2(1B) and 47 of the Income Tax Act, 1961 and the provisions of this Scheme in relation to the mode of transfer and vesting of assets. This Scheme is a 'Merger by Absorption' in terms of the Explanation provided in Section 232 of the Act and shall be deemed to be regarded as an 'Amalgamation' in terms of Section 2(1B) of the Income Tax Act, 1961.
- 7.4. With effect from the Appointed Date, and subject to the provisions of this Scheme, the liabilities of YCL including, but not limited to all secured and unsecured debts, sundry creditors, liabilities (including contingent liabilities), and all duties and

obligations (including any guarantees, indemnities, letter of credit or any other instrument or arrangement which may give rise to a contingent liability in whatever form) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations, shall, pursuant to the sanction of this Scheme by the Adjudicating Body and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument or deed or matter or thing be transferred to and vested in or be deemed to have been transferred to and vested in YPL, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by YPL to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the liabilities of YPL on the same terms and conditions as were applicable to YCL, without any consent of any third party or other person who is a party to the contract or arrangements by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause. Further, any existing credit facilities which have been sanctioned to YCL by the bankers, financial institutions and any third party and which is standing as on the Appointed Date but before the Effective Date shall upon the Scheme coming into effect ipso facto extend to YPL.

- 7.5. Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature of YCL which are subsisting or having effect immediately before the Effective Date shall be in full force against or in favour of YPL, and may be enforced as fully and effectively as if, instead of YCL, YPL has been a party or beneficiary thereto. YPL shall, if necessary, to give formal effect to this Clause, enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which YCL is a party.
- 7.6. Upon the Scheme coming into effect and without any further act or deed on the part of YPL, YPL will, in consideration of transfer and vesting of YCL into YPL in terms of this Scheme, issue 28,38,500 (Twenty eight lakhs thirty eight thousand five hundred) equity shares of Rs.10 each (the "**New Shares**") to the registered fully paid-up equity shareholders of YCL in the ratio of 1:56.77, i.e. 56.77 (Fifty six point seventy seven only) equity share of Rs.10 each credited as fully paid up in YPL for every 1 equity share of Rs.10 each fully paid up held by them in YCL (the "**New Shares Entitlement Ratio**"). The New Shares will be issued in the New Shares Entitlement Ratio to registered fully paid-up equity shareholders of YCL whose names are recorded in the register of equity shareholders of YCL on the Record Date.
- 7.7. Ms. Sudha Bhushan, Registered Valuer (Reg. No.: IBBI/RV/07/2019/12234) has issued the report dated June 18, 2020 on the Share Exchange Ratio. Mark Corporate

Advisors Private Limited, Mumbai, Merchant Banker has provided its fairness opinion on the Valuation Report issued by Ms. Sudha Bhushan. The aforesaid reports on Shares Exchange Ratio and Fairness Opinion have been duly considered by the Audit Committee of YPL and the Boards of Directors of YCL and YPL, respectively. As per the Valuation Report prepared by the MS. Sudha Bhushan, Registered Valuer, the share exchange ratio determined was 68.63: 1 i.e. (Sixty eight point sixty three) equity shares of Rs.10 each credited as fully paid up in YPL for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL on basis of the valuation of the assets and liabilities of YPL carried out by them as provided in their report. However, for the benefit of the public shareholders, the Board of YPL considered and approved a simple average price of last 12 (twelve) months instead of 26 (twenty six) weeks as a price base as this will benefit YPL and its public shareholders and decided that the per equity share value of YPL should be revised upward to Rs.41.68 per equity share as against the value arrived by Registered Valuer at Rs.34.48. Accordingly, the new share exchange ratio will be 56.77: 1 i.e. (Fifty six point seventy seven) equity shares of Rs.10 each credited as fully paid up in the YPL for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL.

- 7.8. In the event the New Shares are required to be issued and allotted to such shareholders of YCL, being non-resident, the issue of such shares shall be in accordance with the provisions of the Foreign Exchange Management Act, 1999 and the applicable rules and regulations made thereunder (for the time being in force, including, any statutory modifications, re-enactments or amendments made thereto from time to time).
- 7.9. The issue and allotment of the New Shares in YPL to the relevant shareholders of YCL as provided in the Scheme shall be carried out and the same would not require following of the procedure laid down under Section 42 and 62 of the Companies Act, 2013 and any other applicable provisions of the relevant Act.
- 7.10. YPL, shall, increase its authorised share capital, to the extent required, in order to issue the New Shares under this Scheme in accordance with the procedure prescribed under Section 61 of the Companies Act, 2013, without prejudice to the right of YPL to avail set off for the fees paid by YCL as per Clause 8.4 in terms of Section 232(3)(i) of the Act.
- 7.11. The aforesaid quantum of merging of authorised share capital of YCL with YPL and consequent amendment to the Memorandum of Association of YPL is indicative in nature and the same shall be subject to change due to any increase in authorised share capital of YCL or YPL pursuant to the Appointed Date till the Scheme coming into

effect. Any such increase in the authorised share capital of YCL or YPL pursuant to the Appointed Date till the Scheme coming into effect shall stand ipso facto added or clubbed to aggregate authorised share capital of YPL.

- 7.12. Upon the Scheme coming into effect, YCL shall, without any further act or deed, stand dissolved without winding up. The name of YCL shall be struck off from the records of the Registrar of Companies, Uttar Pradesh and YPL shall make necessary filings in this regard.

PLEASE NOTE THAT THE FEATURES SET OUT ABOVE ARE ONLY THE SALIENT FEATURES OF THE SCHEME. THE CREDITORS ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME ANNEXED HERETO TO GET FULLY ACQUAINTED WITH THE PROVISIONS THEREOF

8. The proposed Scheme was placed before the Audit Committee of the Transferee Company at its meeting held on 19th Day of June, 2020. The Audit Committee took into account the Valuation Report, dated 18th day of June, 2020, issued by Ms. Sudha Bhushan, Registered Valuer (Reg. No.: IBBI/RV/07/2019/12234) and the fairness opinion, dated 19th Day of June, 2020, provided by Mark Corporate Advisors Private Limited, Mumbai, Merchant Banker, appointed for this purpose by the Transferee Company. A copy of the Valuation Report is enclosed as **Annexure D**. The Valuation Report is also open for inspection. A copy of the Fairness Opinion is enclosed as **Annexure E**. The Audit Committee based on the aforesaid, *inter alia*, recommended the scheme to the Board of Directors of the Transferee Company.
9. As per the Valuation Report prepared by the MS. Sudha Bhushan, Registered Valuer (Reg. No.: IBBI/RV/07/2019/12234) the share exchange ratio determined was 68.63: 1 i.e. (Sixty Eight point Sixty three) equity share of Rs.10 each credited as fully paid up in the Transferee Company for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL on basis of the valuation of the assets and liabilities of the Transferee Company carried out by them as provided in their report. However, for the benefit of the public shareholders, the Board believes that the per share value of YPL should be revised upward to Rs 41.68 Per Share as against the value arrived by Registered Valuer at Rs 34.48. Accordingly, the new share exchange ratio will be 56.77: 1 i.e. (Fifty Six point Seventy Seven) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL.

Pursuant to this Scheme, as part of the consideration for the merger by absorption, the Transferee Company will issue and allot 28,38,719 (Twenty Eight Lakhs Thirty Eight

Thousand Seven Hundred Nineteen) fully paid-up equity shares of Rs.10 each (the "New Shares") to shareholders of the Transferee Company. The New Shares will be issued by the Transferee Company to such equity shareholders of YCL whose names are recorded in the register of members of YCL as on the Record Date in the ratio of 56.77: 1 i.e. 56.77 (Fifty Six Point Seventy Seven) equity share of Rs.10 each credited as fully paid up in the Transferee Company for every 1 (One) equity shares of Rs.10 each fully paid up held by them in YCL.

10. As required by the SEBI Master Circular, the Transferee Company had filed the complaints report with BSE, on 9th day of December, 2021. This report indicates the Transferee Company has received no complaints. A copy of the said complaints report is enclosed as **Annexure G**.
11. The Board of Directors of the Company in their meeting held on 30th June, 2021 have approved a minor modification to the Scheme with regards to the account treatment. For the same outcome of Board meeting was communicated to BSE Limited on 30th June, 2021 and the revised scheme alongwith aforesaid change of in the accounting treatment alongwith Board Resolutions of Transferor Company and Transferee Company will be submitted to BSE Limited. Apart from the aforesaid change of in the accounting treatment, there are no major developments / actions have taken place since announcement of the Scheme.
12. In terms of the observation letter, BSE conveyed their no objection for filing the scheme with the Hon'ble National Company Law Tribunal. Copy of the observation letter, dated February 1, 2021 received from BSE is enclosed as **Annexure F**.
13. Subsequent to the sanction of the Scheme, the Transferee Company will make an application for listing of its equity shares, including, the New Shares on the stock exchange in which the shares of the Transferor Company are listed, in pursuance to the relevant regulations including, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circulars.
14. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/ trading permission is given by the designated stock exchange i.e. BSE Limited.
15. The New Shares, to be issued by the Transferee Company under the Scheme to shareholders of the Transferor Company, in lieu of the locked in shares of the Transferor Company, if any, shall be subject to lock-in requirement for the remaining

period in terms of the LODR read with the SEBI Circulars.

16. The the Transferee Company 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.
17. The applications along with the annexure thereto (which includes the scheme) were filed by the Transferor Company and Transferee Company on February 23, 2021 with the Hon'ble NCLT.
18. This notice convening Meeting of the Secured Creditors of the Transferee Company along with aforesaid documents are placed on the website of the Company viz. www.yashpakka.com and being sent to Securities and Exchange Board of India and BSE Limited for placing on their website.
19. None of the Directors of the Transferee Company have any material interest in the Scheme, save and except to the extent the said Directors are the partners, directors, members of the firms, companies, association of persons, bodies corporate and/or beneficiary of trust, that hold shares in any of the Companies.
20. **THE DETAILS OF ALL THE PRESENT DIRECTORS (SINGLY OR JOINTLY) DIRECTORS AND THEIR RELATIVES AND KMPs OF THE CONCERNED COMPANIES AND THEIR RESPECTIVE SHAREHOLDINGS IN THE TRANSFEROR COMPANY AND TRANSFEREE COMPANY AS ON MARCH 31, 2021 ARE AS FOLLOWS:**
 - a. Extent of shareholding of the Directors and their relatives and KMPs of the Transferor Company and their respective holding in the Transferor Company and the Transferee Company are as follows: (Considering first holder)

Sr. No	Name of the Director	Designation	Address	Equity Shares in Transfer or Company	Equity Shares in Transferee Company
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1.	Mr. Ved Krishna	Director	Yash Papers Limited, Yash Nagar, Faizabad - 224135, Uttar Pradesh, India	49400	1,10,39,950
2.	Mrs. Kimberly Ann McArthur	Director	Yash Papers Limited, Yash Nagar, Darshan Nagar, Faizabad - 224135, Uttar Pradesh	--	--
3.	Amit Sharma	Director		--	--
4.	Sumant Pai	Director		--	--

Sr. No.	Name of the KMPs	Designation	Equity Shares in Transferor Company	Equity Shares in Transferee Company
1.	Nil	Nil	Nil	Nil

Sr. No.	Name of the relatives of Directors	Equity Shares in Transferor Company	Equity Shares in Transferee Company
1.	Mrs. Manjula Jhunjhunwala	100	5,51,066
2.	Mrs. Kimberly Ann	--	--
3.	K K Jhunjhunwala HUF	--	16,000

- b. Extent of shareholding of the Directors and their relatives and KMPs of the Transferee Company and their respective holding in the Transferor Company, and the Transferee Company are as follows: (Considering first holder)

Sr. No	Name of the Director	Designation	Address	Equity Shares in Transferor Company	Equity Shares in Transferee Company
1.	Mr. Pradeep Vasant Dhobale	Chairman (Independent Director)	Lodha Bellezza, Benecia (5A)-1200, Eden Square, Phase-IV, KPHB Colony, Kukatpally, Hyderabad - 500072, Telangana	--	--
2.	Mr. Ved Krishna	Executive Vice Chairman (Promoter & KMP)	Yash Papers Limited, Yash Nagar, Faizabad - 224135, Uttar Pradesh, India	49400	1,10,39,950
3.	Mr. Jagdeep Hira	Managing Director & CEO (KMP)	House number 1177, Sector 9, Faridabad - 121006, Haryana	--	--
4.	Mr. Narendra Kumar Agrawal	Director Works (KMP)	Yash Papers Limited, Yash Nagar (Darshan Nagar) Faizabad - 224135, Uttar Pradesh, India	--	500
5.	Mrs. Manjula Jhunjhunwala	Non-Independent Director (Promoter)	1/13/1B, Karma, Civil Lines, Faizabad - 224001, Uttar Pradesh	100	5,51,066
6.	Mrs. Kimberly Ann McArthur	Non-Independent Director (Promoter's Group)	Yash Papers Limited, Yash Nagar, Darshan Nagar, Faizabad - 224135, Uttar Pradesh	--	--

7.	Dr. Indroneel Banerjee	Independent Director	721, Rekabganj, Faizabad - 224001, Uttar Pradesh, India	--	773
8.	Mr. Atul Kumar Gupta	Independent Director	H. No.1/73, Vipul Khand, Gomti Nagar, Lucknow, Uttar Pradesh	--	--
9.	Mr. Srinivas Vishnubhatla	Independent Director	Flat No.102, Sri Ramas Hermitage, Sivaramakrishna Colony Sarvesuralayam, Secunderabad - 500026, Telangana	--	--
10.	Mr. Basant Kumar Khaitan	Independent Director	8, Sarat Chatterjee Avenue Near Menuka Cinema, Kalighat, Lake Garde NS, Kolkata 700045 West Bengal	--	--

Sr. No.	Name of the KMPs	Designation	Equity Shares in Transferor Company	Equity Shares in Transferee Company
1.	Jignesh Shah	CFO	--	--
2.	Bhavna Patel	Company Secretary	--	--

Sr. No.	Name of the relatives of Directors	Equity Shares in Transferor Company	Equity Shares in Transferee Company
1.	Mrs. Manjula Jhunjunwala	100	5,51,066
2.	Mrs. Kimberly Ann	--	--
3.	K K Jhunjunwala HUF	--	16,000

21. EXTENT OF HOLDING OF PROMOTERS OF THE TRANSFEROR COMPANY, AND THE TRANSFEREE COMPANY IS AS FOLLOWS:-

- a. Extent of shareholding of the Promoters of the Transferor in the Transferor Company and the Transferee Company

Sr. No.	Name of the Promoter	Address	Equity Shares in Transferor Company	Equity Shares in Transferee Company
1.	Mr. Ved Krishna	Yash Papers Limited, Yash Nagar, Faizabad - 224135, Uttar Pradesh, India	49400	1,10,39,950

- b. Extent of shareholding of the Promoters of the Transferee Company in the Transferor Company and the Transferee Company

Sr. No.	Name of the Promoter	Address	Equity Shares in Transferor Company	Equity Shares in Transferee Company
1	Mr. Ved Krishna	Yash Papers Limited, Yash Nagar, Faizabad - 224135, Uttar Pradesh, India	49400	1,10,39,950
2	Mrs. Manjula Jhunjunwala	1/13/1B, Karma, Civil Lines, Faizabad - 224001,	100	5,51,066

22. PRE AND POST SCHEME SHAREHOLDING PATTERN OF THE TRANSFEROR COMPANY AND THE TRANSFEE COMPANY

- a. The pre Scheme shareholding pattern of the Transferor Company as on March 31, 2021 is as follows:

Code	Category	Pre-Amalgamation Shareholding	
		No. of equity shares	As a % of total equity capital
(A)	Shareholding of Promoter and Promoter Group		

1	Indian		
(a)	Individuals / Hindu Undivided Family	49,400	98.80
(b)	Bodies Corporate	Nil	N.A.
(c)	Trusts	Nil	N.A.
	Sub Total		
2	Foreign		
	Individuals /Non –Resident Individual /Foreign Individuals	Nil	N.A.
	Sub Total	Nil	N.A.
	Total shareholding of Promoter and Promoter Group (A)	49400	98.80
	Public Shareholding		
	Institutions		
	Mutual Funds / UT	NIL	N.A.
(b)	Financial Institutions / Banks	NIL	N.A.
(c)	Insurance Companies	NIL	N.A.
(d)	Foreign Institutional Investors	NIL	N.A.
(e)	Foreign Mutual Fund	NIL	N.A.
	Sub Total	NIL	N.A.
2	Non- Institutions		
(a)(i)	Bodies Corporate	NIL	N.A.
(b)	Individuals	600	1.20
(b)(i)	Individual shareholders holding nominal share capital up to Rs. 2 Lakhs	NIL	N.A.
(b)(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	NIL	N.A.
(c)	Clearing Members	NIL	N.A.
(d)	Foreign Corporate Bodies	NIL	N.A.
(e)	Market Marker	NIL	N.A.
(f)	Non Resident Indians	NIL	N.A.
(g)	Trusts	NIL	N.A.

(h)	Foreign Portfolio Investors	NIL	N.A.
(i)	Hindu Undivided Family	NIL	N.A.
(j)	Fractional Shares	NIL	N.A.
(k)	IEPF	NIL	N.A.
	Sub Total	NIL	N.A.
	Total Public shareholding (B)	NIL	N.A.
	Total (A)+(B)	50000	100

- b. The pre and post Scheme shareholding pattern of the Transferee Company as on March 31, 2021 is as follows:

Code	Category	Pre-Amalgamation Shareholding		Post- Amalgamation Shareholding	
		No. of equity shares	As a % of total equity capital	No. of equity shares	As a % of total equity capital
(A)	Shareholding of Promoter and Promoter Group				
1	Indian				
(a)	Individuals / Hindu Undivided Family	11607016	32.94	14411454	37.85
(b)	Bodies Corporate	4303140	12.21	4303140	11.3
(c)	Trusts	NIL	0	NIL	0
	Sub Total	15910156	45.15	18714594	49.15
2	Foreign		0		0
	Individuals /Non –Resident Individual /Foreign Individuals	NIL	0	NIL	0
	Sub Total	NIL	0	NIL	0
	Total shareholding of Promoter and Promoter Group (A)	15910156	45.15	18714594	49.15
(B)	Public Shareholding				

	Institutions				
(a)	Mutual Funds / UT	1000	0	1000	0
(b)	Financial Institutions / Banks	NIL	0	NIL	0
(c)	Insurance Companies	NIL	0	NIL	0
(d)	Foreign Institutional Investors	912813	2.59	912813	2.4
(e)	Foreign Mutual Fund	NIL	0	NIL	0
	Sub Total	913813	2.59	913813	2.4
2	Non- Institutions				
(a)(i)	Bodies Corporate	NIL	0	NIL	0
(b)	Individuals				
(b)(i)	Individual shareholders holding nominal share capital up to Rs. 2 Lakhs	8606292	24.42	8606292	22.6
(b)(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	6071213	17.23	6071213	15.94
(c)	Clearing Members	72853	0.21	72853	0.19
(d)	Corporate Bodies	1920817	5.45	1920817	5.04
(e)	Market Maker	NIL	0	NIL	0
(f)	Non Resident Indians	679790	1.93	679790	1.79
(g)	Trusts	NIL	0	NIL	0
(h)	Foreign Portfolio Investors	NIL	0	NIL	0
(i)	Hindu Undivided Family	1021976	2.9	1021976	2.68
(j)	Fractional Shares	NIL	0	NIL	0
(k)	IEPF	NIL	0	NIL	0
(l)	Others	43090	0.12	77152	0.2
	Sub Total	18416031	52.26	18450093	48.45
	Total Public shareholding (B)	19329844	54.85	19363906	50.85
	Total (A)+(B)	35240000	100.00	38078500	100.00

23. PRE AND POST SCHEME CAPITAL STRUCTURE:

a. Pre Scheme Capital Structure of the Transferor Company:-

<i>Description</i>	Pre-Scheme	
	<i>No. of Shares</i>	<i>Amount Rs.</i>
Authorised Share Capital		
50,000 Equity Shares of Rs.10 each	50,000	5,00,000
Total	50,000	5,00,000
Issued, Subscribed and Paid-up Capital:		
50,000 Equity Shares of Rs.10 each	50,000	5,00,000
Total	50,000	5,00,000

b. Pre and Post Scheme Capital Structure of the Transferee Company:-

<i>Description</i>	<i>Pre- Scheme</i>		<i>Post-Scheme</i>	
	<i>No. of Shares</i>	<i>Amount in Rs</i>	<i>No. of Shares</i>	<i>Amount in Rs</i>
Authorised Share Capital				
Equity Shares				
Equity shares of Rs.10/- each	5,60,00,000	56,00,00,000	5,60,50,000	56,05,00,000
Preference Shares				
Preference shares of Rs.100/- each	4,00,000	4,00,00,000	4,00,000	4,00,00,000
Total	6,00,000	60,00,00,000	6,00,000	60,00,00,000
Issued, Subscribed and Paid-up Capital:				
Equity shares of Rs.10 each	3,52,40,000	35,24,00,000	3,80,78,500	38,07,85,000
Total	3,52,40,000	35,24,00,000	3,80,78,500	38,07,85,000

24. STATEMENT DISCLOSING DETAILS OF AMALGAMATION AS PER SUB-SECTION 3 OF SECTION 230 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
(i)	Details of the order of the NCLT directing the calling, convening and conducting		
A	Date of the order	Order dated August 26, 2021	
B	Date, time and venue of the meeting	Date: October 7, 2021 Time: 01:30 p.m. Venue: Yash Nagar, Ayodhya – 224133, Uttar Pradesh	
(ii)	Details of the Companies including:-		
a	Corporate Identification Number (CIN)	U51100UP2014PLC062981	L24231UP1981PLC005294
b	Permanent Account Number (PAN)	AAACY6672M	AAACY0482H
c	Name of Company	Yash Compostables Limited	Yash Pakka Limited
d	Date of Incorporation	February 27, 2014	May 5, 1981
e	Type of Company	Public Unlisted	Public Listed
f	Registered Office address	Flat No.202, 3A/172 Azad Nagar, Kanpur 208002, Uttar Pradesh	2nd Floor, 24/57, Birhana Road, Kanpur – 208001, Uttar Pradesh
	E-mail address of the Contact Person	<i>secretarial@yashpakka.com</i>	<u><i>secretarial@yashpakka.com</i></u>
g	Summary of main object as per the memorandum of association; and main business carried on by the Company	For main objects please refer para. 3.3 Main business carried on by the Company: YCL is <i>inter-alia</i> engaged in the business of trading of compostable products. YCL is also a marketing company	For main objects please refer para 4.5 Main business carried on by the Company: YPL is mainly engaged in the business of manufacturing and trading of products like Pulp, Kraft Paper, Poster Paper, Moulded (Tableware)

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
		and has played a major role in development of the brand named 'Chuk' which is owned by YPL. YCL is expanding its business throughout the country. In view of the ban levied on plastic by quite a few of the states in our country which has resulted in the rise in the demand for compostable products. With the outbreak of Covid-19 pandemic, the demand for disposable cutlery and plates has also increased instead of regular dineware. YCL has established logistic and supply chain network which is a pre-requisite for the growth of any FMCG product.	Products, Bagasse Pith Pallets, and Egg Tray. YPL has more than 40 years of manufacturing experience in paper industry and has all technical know-how into making of world class pulp which will ensure world class compostable products from the machine. The new machines are capable of producing right quality products required domestically and internationally. In house production of pulp by YPL, which is a basic input for compostable products give YPL an edge over other competitors. With support from trusted marketing partner like YCL brand Chuk has become a popular name among the customers.
h	Details of change of name, Registered Office and objects of the Company during the last five years	YCL is a public unlisted company which was originally incorporated under the name of " <i>Yash Ecoenergy Limited</i> " under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated February 27, 2014 issued by the Registrar of Companies, Uttar Pradesh. Thereafter, the name of the company was changed from " <i>Yash Ecoenergy Limited</i> " to its present name i.e. " <i>Yash Compostables Limited</i> " vide fresh	YPL, was originally incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated May 5, 1981 under the name of " <i>Yash Papers Limited</i> " issued by Registrar of Companies, U.P. The name of the company was changed from " <i>Yash Papers Limited</i> " to " <i>Yash Pakka Limited</i> " vide fresh Certificate of Incorporation pursuant to

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
		Certificate of Incorporation pursuant to change of name dated July 3, 2018 issued by the Registrar of Companies (RoC), Kanpur.	change of name dated November 8, 2019 issued by the Registrar of Companies, Kanpur.
i	Name of stock exchange(s) where securities of the Company are listed, if applicable	None	BSE Limited
j	Details of capital structure – Authorized, Issued, subscribed and paid-up share capital	Refer Para 23	Refer Para 23
k	Names and address of the promoters and directors	Refer Paragraph 20 for Directors Refer Paragraph 21 for Promoters	Refer Paragraph 20 for Directors Refer Paragraph 21 for Promoters
(iii)	If the scheme of compromise or arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or	The parties to the Scheme are group companies. There is no holding, subsidiary or associate companies.	

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited																																				
		Transferor Company	Transferee Company																																				
	arrangement, including holding, subsidiary or associate companies																																						
(iv)	The date of board meeting at which the scheme was approved by the board of directors including the name of directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution	<p>20th June, 2020</p> <p>Details of the Directors of the Transferor Company who voted on the resolution passed on June 20, 2020 are as follows:</p> <table border="1"> <thead> <tr> <th>Sr. No</th> <th>Name of the Director</th> <th>Voted in favour/ against/ abstain</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Ved Krishna</td> <td>Favour</td> </tr> <tr> <td>2.</td> <td>Kimberly Ann Mcarthur</td> <td>Favour</td> </tr> <tr> <td>3.</td> <td>Amit Sharma</td> <td>Favour</td> </tr> <tr> <td>4.</td> <td>Sumant Pai</td> <td>Favour</td> </tr> </tbody> </table>	Sr. No	Name of the Director	Voted in favour/ against/ abstain	1.	Ved Krishna	Favour	2.	Kimberly Ann Mcarthur	Favour	3.	Amit Sharma	Favour	4.	Sumant Pai	Favour	<p>20th June, 2020</p> <p>Details of the Directors of the Transferee Company who voted on the resolution passed on June 20, 2020 are as follows:</p> <table border="1"> <thead> <tr> <th>Sr No.</th> <th>Name of the Director</th> <th>Voted in favour/ against/ abstain</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Jagdeep Hira</td> <td>Favour</td> </tr> <tr> <td>2.</td> <td>Narendra Kumar Agrawal</td> <td>Favour</td> </tr> <tr> <td>3.</td> <td>Pradeep Vasant Dhobale</td> <td>Favour</td> </tr> <tr> <td>4.</td> <td>Ved Krishna</td> <td>Favour</td> </tr> <tr> <td>5.</td> <td>ManjulaJ hunjhun wala</td> <td>Favour</td> </tr> <tr> <td>6.</td> <td>Atul Kumar Gupta</td> <td>Favour</td> </tr> </tbody> </table>	Sr No.	Name of the Director	Voted in favour/ against/ abstain	1.	Jagdeep Hira	Favour	2.	Narendra Kumar Agrawal	Favour	3.	Pradeep Vasant Dhobale	Favour	4.	Ved Krishna	Favour	5.	ManjulaJ hunjhun wala	Favour	6.	Atul Kumar Gupta	Favour
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No.	Particulars	Yash Compostables Limited	Yash Pakka Limited		
		Transferor Company	Transferee Company		
			7.	Basant Kumar Khaitan	Favour
			8.	Srinivas Vishnubhatla	Favour
			9.	ImanulHaque	Favour
			10.	Indroneel Banerjee	Favour
(v)	<i>Explanatory Statement disclosing details of the scheme of merger including:-</i>				
a	Parties involved in Such compromise or arrangement	Yash Compostables Limited - Transferor Company Yash Pakka Limited - Transferee Company			
	In case of amalgamation or merger, appointed Date				
	Appointed Date	April 01, 2020			
	Effective Date	<p>the last of the dates on which the certified copies of the Order(s) of the Adjudicating Body, are filed with the Registrar of Companies, Uttar Pradesh</p> <p>The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Adjudicating Body and/or by the Board of Directors in terms of Clause 21 shall although be operative from the Effective Date but shall be deemed to be retrospectively effective from the Appointed Date in accordance with the provisions of Section 232 (6) of the Act.</p>			
b	Share Exchange Ratio and other considerations, if any	<p>Upon the Scheme coming into effect and without any further act or deed on the part of YPL, YPL will, in consideration of transfer and vesting of YCL into YPL in terms of this Scheme, issue 28,38,500 (Twenty eight lakhs thirty eight thousand five hundred only) equity shares of Rs.10 each (the "<i>New Shares</i>") to the registered fully paid-up equity shareholders of YCL in the ratio of 56.77:1, i.e. 56.77 (Fifty six point seventy seven only) equity share of Rs.10</p>			

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
		each credited as fully paid up in YPL for every 1 equity share of Rs.10 each fully paid up held by them in YCL (the " <i>New Shares Entitlement Ratio</i> "). The New Shares will be issued in the New Shares Entitlement Ratio to registered fully paid-up equity shareholders of YCL whose names are recorded in the register of equity shareholders of YCL on the Record Date.	
c	Summary of Valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any, and the declaration that the valuation report is available for inspection at registered office of the Company	Refer Annexure D of this Report. Same is available for inspection at the Registered Office of the Transferee Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company (except Saturdays, Sundays & public holidays) upto one day prior from the date of the meeting.	
d	Details of capital or debt restructuring, if any	There is no debt restructuring involved in the Scheme.	
e	Rationale for the compromise or arrangement	Refer Para 6	
f	Benefits of the compromise or arrangement as perceived by the Board of directors to the company,	Refer Para 6	

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
	members, creditors and others (as applicable)		
g	Amount due to the Unsecured Creditors as of September 30, 2020	Rs. 424.53 Lacs	Rs. 1449.10 Lacs
(vi)	<i>Disclosure about effect of the merger on</i>		
a	Key Managerial personnel (KMP) (other than Directors)	KMP are the employees of the Transferor Company and as per the Scheme, all the employees of YCL shall become employees of YPL with effect from effective date of Scheme.	No change in Key Managerial Person is expected pursuant to the Scheme.
b	Directors	Pursuant to the Scheme becoming effective, the Directors which are common will continue as Directors in the Transferee Company. In relation to the remaining Directors, there will be no adverse effect as the Transferor Company shall cease to exist.	There is no adverse effect of the Scheme on the Directors of Transferee Company.
c	Promoters	<p>The Scheme does not contemplate payment of any additional considerations to the Promoters except to the extent of their shareholding in Transferee Company as detailed in point v (b) hereinabove.</p> <p>Upon the Scheme coming into effect, the promoter shareholding of consolidated entity (i.e. the Company) will be 49.2% of the total paid-up share capital of the Company as against current 45.1% of the total paid-up share capital of the Company.</p>	
d	Non-promoter members	As per the Valuation Report prepared by the MS. Sudha Bhushan, Registered Valuer (Reg. No.: IBBI/RV/07/2019/12234) the share exchange ratio determined was 68.63: 1 i.e. (Sixty Eight point Sixty three) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (<i>One</i>) equity share of Rs.10 each fully paid up held by them in YCL on basis of the valuation of the	

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
		<p>assets and liabilities of the Company carried out by them as provided in their report. However, for the benefit of the public shareholders, the Board believes that the per share value of YPL should be revised upward to Rs 41.68 Per Share as against the value arrived by Registered Valuer at Rs 34.48. Accordingly, the new share exchange ratio will be 56.77: 1 i.e. (Fifty Six point Seventy Seven) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL.</p> <p>Pursuant to this Scheme, as part of the consideration for the merger by absorption, the Company will issue and allot 28,38,719 (<i>Twenty Eight Lakhs Thirty Eight Thousand Seven Hundred Nineteen</i>) fully paid-up equity shares of Rs.10 each (the "New Shares") to shareholders of the Company. The New Shares will be issued by the Company to such equity shareholders of YCL whose names are recorded in the register of members of YCL as on the Record Date in the ratio of 56.77: 1 i.e. 56.77 (<i>Fifty Six Point Seventy Seven</i>) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (<i>One</i>) equity shares of Rs.10 each fully paid up held by them in YCL.</p> <p>The New Shares issued and allotted by the Company in terms of this Scheme shall rank <i>pari-passu</i> in all respects with the existing shares of YPL, including in respect of dividends, if any, that may be declared by YPL, on or after the Effective Date.</p>	
e	Depositors	The Transferor Company does not have any public deposits and accordingly, it does not have any depositors so hence the question of Scheme having effect on depositor does not arise.	The Transferee Company does not have any public deposits and accordingly, it does not have any depositors hence the question of Scheme having effect on depositor does not arise.
f	Creditors	Upon the Scheme coming into effect, the creditor obligations with respect to the	Upon the Scheme coming into effect, the

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
		Transferor Company shall become the obligations of the Transferee Company. The Scheme is expected to be in the best interest of the Transferor Company's creditors.	creditor obligations with respect to the Transferor Company shall remain obligations of the Transferee Company. The Scheme is expected to be in the best interest of the Transferor Company's creditors.
g	Debenture holders	The Transferor Company has no outstanding debentures and therefore, the effect of the Scheme on debenture holders does not arise.	The Transferee Company has no outstanding debentures and therefore, the effect of the Scheme on debenture holders does not arise.
h	Deposit trustee & Debenture trustee	<p>The Transferor Company does not have any public deposits and accordingly, it does not have any depositors or deposit trustee and the question of Scheme having effect on depositor or deposit trustee does not arise.</p> <p>Further, there are no debenture holders or debenture trustee in the Transferor Company as no debentures are issued. Thus, the question of Scheme having effect on debenture holder or debenture trustee does not arise.</p>	<p>The Transferee Company does not have any public deposits and accordingly, it does not have any depositors or deposit trustee and the question of Scheme having effect on depositor or deposit trustee does not arise.</p> <p>Further, there are no debenture holders or debenture trustee in the Transferee Company as no debentures are issued. Thus, the question of Scheme having effect on</p>

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
			debenture holder or debenture trustee does not arise.
i	Employees of the company	Employees in relation to the Transferor Undertaking shall become the employees of the Transferee Company. No right of employees shall get affected.	
(vii)	Disclosure about effect of compromise or arrangement on material interest of Directors, Key Managerial Personnel (KMP) and debenture trustee		
	Directors	Pursuant to the Scheme becoming effective, few directors are already directors in the Transferee Company and will continue as directors in the Transferee Company. In relation to the remaining Directors, the question of impact on them does not arise as the Company shall cease to exist.	There is no adverse effect of the Scheme on the Directors of the Transferee Company.
	Key Managerial personnel	KMP are the employees of the Transferor Company and as per the Scheme, all the employees of the Transferor Company shall become employees of the Transferee Company with effect from Effective Date of Scheme.	No change in Key Managerial Person is expected pursuant to the Scheme.
	Debenture Trustee	There are no debenture holders or debenture trustee in the Transferor Company as no debentures are issued. Thus, the question of Scheme having effect on debenture holder or debenture trustee does not arise.	There are no debenture holders or debenture trustee in the Transferee Company as no debentures are issued. Thus, the question of Scheme having effect on debenture holder or debenture trustee does not arise.
(viii)	investigation or proceedings, if any, pending against the	No investigation proceedings have been initiated or are pending against the Transferor Company and Transferee Company under the Companies Act, 2013.	

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
	company under the Act		
(ix)	details of the availability of the following documents for obtaining extract from or for making or obtaining copies of or inspection by the members and creditors, namely:		
a	Latest Audited Financial Statements of the Company including consolidated financial statements	Available for inspection at the Registered Office of the Transferee Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company (except Saturdays, Sundays & public holidays) upto one day prior from the date of the meeting.	
b	Copy of the order of Tribunal in pursuance of which the meeting is to be convened or has been dispensed with	Available for inspection at the Registered Office of the Transferee Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company (except Saturdays, Sundays & public holidays) upto one day prior from the date of the meeting.	
c	Copy of Scheme	Annexed as Annexure A to the Notice. Also available at the Registered Office of the Transferee Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company (except Saturdays, Sundays & public holidays) upto one day prior from the date of the meeting.	
d	Contracts or Agreements material to the compromise or arrangement	All business contracts and licenses of Transferor Company will get transferred to the Transferee Company.	
e	The certificate issued by the Auditor of the company to the effect that the	Available for inspection at the Registered Office of the Transferee Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company (except Saturdays, Sundays & public holidays) upto one day prior from the date of the meeting.	

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
	<p>accounting treatment, if any, proposed in the scheme of compromise or arrangement is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and</p>		
f	<p>Such other information or documents as the Board or Management believes necessary and relevant for making decision things for or against the scheme</p>	<p>Available for inspection at the Registered Office of the Transferee Company between 11.00 a.m. to 1.00 p.m. on any working day of the Company (except Saturdays, Sundays & public holidays) upto one day prior from the date of the meeting.</p>	
(x)	<p>Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the</p>	<p>As per the Minutes of the Order dated August 26, 2021.</p>	

No.	Particulars	Yash Compostables Limited	Yash Pakka Limited
		Transferor Company	Transferee Company
	proposed scheme of compromise or arrangement		
(xi)	A statement to the effect that the persons to whom the notice is sent may vote in the meeting either in person or by proxies, or where applicable, by voting through electronic means	<p>Creditors to whom the Notice is sent may vote in either person or by proxies.</p> <p>Please take note that the option of attending the meeting via video conferencing through is not applicable/available.</p>	

25. No investigation proceedings have been initiated or are pending against the Transferee Company, under Chapter XIV of the Companies Act, 2013.
26. The proposed Scheme will not have any adverse effect on the interest of any of the shareholders and creditors of the Transferee Company. The sanction of the Scheme will benefit and is in the interests of the shareholders and creditors of the Transferee Company.
27. The rights and interests of the creditors will not be prejudicially affected by the Scheme as no sacrifice or waiver is at all called from them nor their rights sought to be modified in any manner.
28. The Share Entitlement Ratio in respect of the Scheme has been arrived at on the basis of the valuation made by MS. Sudha Bhushan, Registered Valuer (Reg. No.: IBBI/RV/07/2019/12234). A copy of the said report has been annexed to this Notice as **Annexure D**.
29. The Board of Directors of the Transferee Company has considered the said Valuation Report and also considered various factors and accordingly, the Board of Directors of the Transferee Company believes that the Share Entitlement Ratio in respect of the New Shares is fair and reasonable and has approved the same at its meeting held on June 20, 2020. Except Mrs. Kimberly Ann Mcarthur rest all the Directors of the

Company i.e. Mr. Pradeep Vasant Dhobale, Mr. Ved Krishna, Mr. Jagdeep Hira, Mr. Narendra Kumar Agrawal, Mrs. Manjula Jhunjhunwala, Dr. Indroneel Banerjee, Mr. Atul Kumar Gupta, Mr. Srinivas Vishnubhatla and Mr. Basant Kumar Khaitan were present at the meeting and voted in favour of the Scheme. As per the Valuation Report prepared by MS. Sudha Bhushan, Registered Valuer (Reg. No.: IBBI/RV/07/2019/12234) 68.63: 1 i.e. (Sixty Eight point Sixty three) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL on basis of the valuation of the assets and liabilities of the Company carried out by them as provided in their report. However, for the benefit of the public shareholders, the Board believes that the per share value of YPL should be revised upward to Rs 41.68 Per Share as against the value arrived by Registered Valuer at Rs 34.48. Accordingly, the new share exchange ratio will be 56.77: 1 i.e. (Fifty Six point Seventy Seven) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL.

30. If the entries in the books /register /depository records of the Transferee Company in relation to the number or value, as the case may be, of the Secured Creditors are disputed, the Chairman of the meeting shall determine the number or value, as the case may be, for the purposes of the said meeting and his decision in that behalf would be final.
31. Only the Secured Creditors as on 30th September, 2020 of the Transferee Company may attend and vote at the meeting. The representative of a body corporate, which is a creditor of the Transferee Company may attend and vote at the meeting provided a certified true copy of the resolution/authorization of the competent body is shared with the Transferee Company via email at the registered office of the Transferee Company not later than 48 hours before the meeting authorizing such a representative to attend and vote at the meeting.
32. Creditors to whom the Notice is sent may vote in either person or by proxies. Please take note that since option of attending the meeting via video conferencing through proxy is not applicable/available.
33. That the quorum for the meeting of the Secured Creditors of the Transferee Company shall be 25% of total value of the Secured Creditors in number in person as fixed by the NCLT, Allahabad Bench. Secured Creditors attending the meeting through Video Conferencing shall be counted for the purpose of reckoning the quorum.
34. On the Scheme being approved as per the requirements of Section 230 to 232 of the

Companies Act, 2013, the Transferee Company will seek the sanction of the Hon'ble National Company Law Tribunal for sanction of the Scheme.

35. INSPECTION OF DOCUMENTS

Copies of the following documents are open for inspection at the Registered Office of the Transferee Company between 11.00 a.m. to 1.00 p.m. on any working day of the Transferee Company (*except Saturdays, Sundays & public holidays*) up to one day prior to the date of the meeting:

- a) Memorandum and Articles of Association of the Transferor Company and the Transferee Company;
- b) Copy of the Audited Annual Accounts as on March 31, 2020 and March 31, 2021 of the Transferor Company and the Transferee Company;
- c) Copies of the Audited accounts as on March, 2021 of the Transferor Company and un-audited accounts as on June, 2021 the Transferee Company;
- d) Papers and proceedings in CA (CAA) No. (IB) 06/ALD/2021;
- e) Certified Copy of the Minutes of the Orders dated August 9, 2021 and August 26, 2021 passed by the Hon'ble National Company Law Tribunal, Allahabad Bench directing the holding and convening the meeting;
- f) Certificate issued by the Auditor of the Transferee Company to the effect that the accounting treatment, if any, proposed in the scheme of amalgamation is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013;
- g) Copies of Resolutions passed by the Board of Directors for approval of the Scheme;
- h) Valuation Report by dated June 18, 2020 issued by Ms. Sudha Bhushan, Registered Valuer (Reg. No.: IBBI/RV/07/2019/12234);
- i) Copy of the Fairness Opinion dated 19th day of June, 2020 issued by Mark Corporate Advisors Private Limited, Mumbai, Merchant Banker;
- j) Copy of the Audit Committee Report;
- k) Copy of the complaints report; and
- l) Copy of the Abridged Prospectus

Dated this 1st day of September, 2021

Shivendra Bahadur
Chairman appointed for the Meeting

Registered Office: 2nd Floor, 24/57, Birhana Road, Kanpur, Uttar Pradesh – 208001

**SCHEME OF MERGER BY ABSORPTION
OF
YASH COMPOSTABLES LIMITED
BY
YASH PAKKA LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS**

This Scheme of Merger is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for merger by absorption of Yash Compostables Limited ("**YCL**" or "**Transferor Company**") with Yash Pakka Limited ("**YPL**" or "**Transferee Company**"). This Scheme also provides for various other matters consequential and otherwise integrally connected therewith.

The Scheme is divided into the following parts:

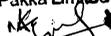
- A. **Part I** deals with the Introduction and Rationale;
- B. **Part II** deals with the Definitions, Interpretations and Share Capital;
- C. **Part III** deals with merger of YCL with YPL;
- D. **Part IV** deals with the Accounting Treatment;
- E. **Part V** deals with the General Clauses; and
- F. **Part VI** deals with the General Terms and Conditions.

**PART I
INTRODUCTION, RATIONALE AND OPERATION OF
THE SCHEME**

1. INTRODUCTION

1.1. YASH COMPOSTABLES LIMITED

- 1.1.1. YCL (CIN: U51100UP2014PLC062981) is a public unlisted company which was originally incorporated under the name of

For Yash Pakka Limited

Narender K. Agrawal
 Director Works

"Yash Ecoenergy Limited" under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated February 27, 2014 issued by the Registrar of Companies, Uttar Pradesh. Thereafter, the name of the company was changed from "Yash Ecoenergy Limited" to its present name i.e. "Yash Compostables Limited" vide fresh Certificate of Incorporation pursuant to change of name dated July 3, 2018 issued by the Registrar of Companies (RoC), Kanpur.

1.1.2. The main object of YCL as set out in its Memorandum of Association are reproduced herein below for ease of reference:

1. *"To act as marketers, sellers, buyers, distributors, exporters, importers, convertors, agents, stockists and agents for compostable and biodegradable products used in product packaging and food services.*
2. *To act as an export house and to carry on any business in any way connected therewith.*
3. *To act as export & import agents and purchase and sale representative to stockists, products, processing unit and units engaged in village industries, home industries, cottage industries, small, medium & large scale industries."*

1.1.3. YCL is *inter-alia* engaged in the business of trading of compostable products.

1.1.4. YCL is also a marketing company and has played a major role in development of the brand named 'Chuk' which is owned by YPL. YCL is expanding its business throughout the country. In view of the ban levied on plastic by quite a few of the states in our country which has resulted in the rise in the demand for compostable products. With the outbreak of Covid-19 pandemic, the demand for disposable cutlery and plates has also increased

For Yash Pakka Limited


Narendra K. Agrawal
Director Works

instead of regular dineware. YCL has established logistic and supply chain network which is a pre-requisite for the growth of any FMCG product.

1.1.5. The shares of YCL are not listed on any stock exchange.

1.2. **YASH PAKKA LIMITED**

1.2.1. YPL (CIN: L24231UP1981PLC005294), was originally incorporated under the Companies Act, 1956 *vide* Certificate of Incorporation dated May 5, 1981 under the name of "*Yash Papers Limited*" issued by Registrar of Companies, U.P.

1.2.2. The name of the company was changed from "*Yash Papers Limited*" to "*Yash Pakka Limited*" *vide* fresh Certificate of Incorporation pursuant to change of name dated November 8, 2019 issued by the Registrar of Companies, Kanpur.

1.2.3. The main object of YPL as set out in its Memorandum of Association are reproduced herein below for ease of reference:

1. *"To carry on the business of Paper, Board, Pulp of every description processed from any suitable fibrous or other raw materials, natural or synthetic.*
2. *To carry on the business of manufactures of and dealers in all kinds and classes of paper, board and pulp processed from any suitable raw material including waste board, card board, strawboard, pulp board, leather board, mill board, corrugated board, liner board duplex and triple boards, hard board, plywood board, writing paper, printing paper, newsprint paper, absorbent paper, wrapping paper, tissue paper, blotting paper, filter paper, art paper bank or bond paper, grease proof paper, gummed paper, parchment paper, drawing paper, kraft paper, envelope paper, tracing paper, waterproof paper, carbon paper,*

For Yash Pakka Limited


Narendra K. Agrawal
Director Works

photographic paper, post card, visiting cards, soda pulp, mechanical pulp, Sulphite pulp, semi-chemical pulp, and all kinds of articles in the manufacture of which in any form, paper board or pulp is used, and also to deal in or manufacture of which in any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.

3. *To carry on business as consultants and advisers on various applications of the products and by-products of the Company and to undertake designing, servicing, erection, installation, execution and supply contracts for the same clients and prospective clients.*
4. *To develop, cause to develop, produce and/or deal in the connected raw materials, knowhow and facilities required for the production of the connected raw material. "*

1.2.4. YPL is mainly engaged in the business of manufacturing and trading of products like Pulp, Kraft Paper, Poster Paper, Moulded (Tableware) Products, Bagasse Pith Pallets, and Egg Tray.

1.2.5. YPL has more than 40 years of manufacturing experience in paper industry and has all technical know-how into making of world class pulp which will ensure world class compostable products from the machine. The new machines are capable of producing right quality products required domestically and internationally. In house production of pulp by YPL, which is a basic input for compostable products give YPL an edge over other competitors. With support from trusted marketing partner like YCL brand Chuk has become a popular name among the customers.

1.2.6. The shares of YPL are listed on BSE Limited ("**Bombay Stock Exchange Limited**").

2. **RATIONALE FOR THE SCHEME**

For Yash Pakka Limited


Narendra K. Agrawal
Director Works

- 2.1. The merger of YCL with YPL is based on the following rationale:
- 2.1.1. YCL and YPL, belonging to the same group of management, it would be advantageous to combine the activities and operations in a single entity. The amalgamation would create synergies between two complementing companies with similar objective and business line.
- 2.1.2. Both YPL and YCL have their independent B2B customer's and dealer networks, supply chain and logistic partners, the amalgamation will also provide synergistic linkages besides economies in costs by combining the total business functions in all segments including sales, procurement, logistic activities and the related activities and operations and thus contribute to the profitability of the amalgamated entity.
- 2.1.3. Economies of scale will play a bigger role as the consolidated entity's operational efficiency will increase, which will in turn allow the merged entity to compete on a larger scale in the industry, thus benefiting the merged entity and the shareholders.
- 2.1.4. The amalgamation will enable the merged entity to build up a diversified product portfolio in YPL and will assist the merged entity with faster and quicker decision making as both manufacturing and marketing activities are under the same management.
- 2.1.5. The amalgamation will enable the merged entity to get direct access to customers which will give them a better understanding of the market taste and customer requirements. This will assist the merged entity to produce right quality required for different market segment.
- 2.1.6. With YPL having a manufacturing experience of more than 40.

For Yash Pakka Limited

Narendra K. Agrawal
Director Works

years alongwith all the requisite technical know-how to produce in house paper pulp which is a basic input for compostable products, gives YPL an edge over other competitors and YCL a company involved in marketing will result in the merged entity to have all the necessary functions under one roof. It is considered desirable and expedient to consolidate and amalgamate the business of both YCL and YPL so as to bring both the functions will be under the same management, production planning process will become more aligned to the customer needs which will result in a stronger asset base and skills to conduct the business in the emerging environment and to rationalise the costs of business.

- 2.1.7. The amalgamation will increase the net worth of YPL which would enable it to capitalise upon such improved net worth to enhance the stake holders' value.
- 2.1.8. The amalgamation will increase financial strength, enhance flexibility and ability to raise larger resources, attract and retain better talent and undertake larger support services related projects.
- 2.1.9. The amalgamation will result in integration and effective utilisation of resources, which is likely to result in optimising overall shareholder value and improvement in competitive position of YPL as a combined entity.
- 2.1.10. The amalgamation will result in economy of scale, reduction in overheads, administrative and other expenditure, efficiency and optimal utilisation of various resources.
- 2.1.11. The amalgamation will bring both the entities under one roof to portray one face to all the parties with whom the Yash Group deals.
- 2.1.12. The amalgamation will result in better leveraging of facilities, infrastructure and resources.
- 2.1.13. Duplication of administrative functions together with the multiple

For Yash Pakka Limited

Narendra K. Agrawal
Director Works

record keeping will be eliminated, resulting in over-all reduction in expenditure.

- 2.1.14. The amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present is required to be made separately by YCL as well as by the YPL.
- 2.1.15. This merger will provide an opportunity to leverage assets and build a stronger sustainable business. It will provide an opportunity to fully leverage stronger asset capabilities, experience, expertise and infrastructure of both the companies and thus increased ability for promotion of business activities as well as for fund raising as may be required for business development.
- 2.1.16. The merger would lead to synergic benefits, efficiency of operations and management, rapid growth of the entity, optimum utilization of its resources and minimization of the administrative and operative costs.
- 2.1.17. The merger will result in a value creation for the shareholders and stakeholders of YCL and YPL as the combined amalgamated company will have improved efficiency, market share, financial structure, larger cash flows and stronger consolidated revenue and profitability.
- 2.1.18. The merger of YCL with YPL would result in consolidation of business activities of both the companies and will facilitate effective management of investments and synergies in operation.
- 2.1.19. There is no likelihood that any shareholder or creditor or employee of YCL and YPL would be prejudiced as a result of the Scheme. Thus, the merger is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

For Yash Pakka Limited


Narender K. Agrawal
Director Works

3. OPERATION OF THE SCHEME

- 3.1. This Scheme is presented under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the relevant Act (*as defined hereinafter*) for:
- 3.1.1. merger of YCL with YPL; and
- 3.1.2. various other matters consequential or otherwise integrally connected herewith.

PART II DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

4. DEFINITIONS

- 4.1. In this Scheme, unless inconsistent with the subject or context, the following expression shall have the following meanings:
- 4.1.1. "**Act**" means the Companies Act, 2013, along with rules and regulations issued thereunder, including, any statutory modifications, re-enactments or amendments made thereto from time to time.
- 4.1.2. "**Adjudicating Body(ies)**" means the Hon'ble National Company Law Tribunal, Allahabad Bench and the National Company Law Appellate Tribunal as constituted and authorised as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under section 230 to 232 of the Companies Act, 2013 or any other authority having jurisdiction under the Act to sanction the scheme.
- 4.1.3. "**Appointed Date**" means April 01, 2020 or such other date as the Adjudicating Body(ies) may direct or fix, for the purpose of amalgamation of YCL with YPL under this Scheme.

For Yash Pakka Limited

Narendrak. Aggarwal
Director Works

4.1.4. "**Board**" or "**Board of Directors**" means the board of directors of YCL or YPL, as the case may be, and shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.

4.1.5. "**Effective Date**" means the last of the dates on which the certified copies of the Order(s) of the Adjudicating Body, are filed with the Registrar of Companies, Uttar Pradesh.

All references in this Scheme to the date of "coming into effect of the/this Scheme" or "Effectiveness of the Scheme" or "Scheme taking effect" shall mean the Effective Date.

4.1.6. "**Governmental Authorities**" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body having jurisdiction over the territory of India.

4.1.7. "**LODR**" means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India.

4.1.8. "**Record Date**" means the date to be fixed by the Board of Directors of YPL for the purpose of reckoning name of the equity shareholders of YCL, who shall be entitled to receive the New Shares to be issued by YPL and for any other purpose as provided in this Scheme.

For Yash Pakka Limited

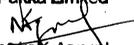
Mohendra K. Agrawal
Director, Works

- 4.1.9. "**ROC**" means the Registrar of Companies, Uttar Pradesh having jurisdiction in relation to both the Transferor Company and the Transferee Company.
- 4.1.10. "**Scheme**" or "**the Scheme**" or "**this Scheme**" means this Scheme of Merger by Absorption in its present form submitted to the relevant Adjudicating Body with modification(s), approved or imposed or directed by the relevant Adjudicating Body.
- 4.1.11. "**SEBI Circulars**" means the circulars issued by Securities and Exchange Board of India in relation to the amalgamations and arrangements carried out under the Act and shall *inter-alia* collectively refer to SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017, the SEBI Circular no. CFD/DIL3/CIR/2018/2 dated January 03, 2018 and the SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated September 12, 2019.
- 4.1.12. "**Transferor Undertaking**" means and includes:
- 4.1.12.1. All the assets and properties of YCL, whether real, tangible or intangible, present or future, actual or contingent, or whether recorded in the books or not, as on the commencement of the Appointed Date;
- 4.1.12.2. All debts, liabilities, duties and obligations of YCL, whether fixed, contingent or absolute, as on the commencement of the Appointed Date;
- 4.1.12.3. Without prejudice to the generality of sub-clause 4.1.12.1 and 4.1.12.2 above, the Transferor Undertaking shall mean and include:
- 4.1.12.4. all the assets and properties, whether movable or immovable, real

limited
N/A

or personal, fixed assets, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent assets including stock, investments, insurance policies, claims, powers, authorities, allotments, approvals, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits, advantages, lease-hold rights, tenancy rights, permits, authorisations, quota rights, including reserves, provisions, funds, contributions (including to any provident fund, employee state insurance, gratuity fund or any other schemes or benefits for employees), utilities, electricity, telephone, data, water and other service connections, books, records (including employee records and files), files, papers, engineering and process information, computer programmes along with licenses, drawings, backup copies, websites, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, benefits of agreements, contracts and arrangements, powers, authorities, balances with all regulatory authorities, liberties, advantages, easements and all the right, title, interest, goodwill, reserves, provisions, advances, receivables, funds, cash, bank balances, accounts, earnest moneys/ security deposits and all other rights, claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by YCL as on the commencement of the Appointed Date and all earnest money and/or deposits including security deposits paid by YCL as on the commencement of the Appointed Date and all other rights, obligations, benefits available under any rules, regulations, statutes including direct and indirect tax laws, central goods and services tax, state goods and services tax and particularly Sales Tax benefits, advance taxes, self-assessment tax, tax deducted at source, CENVAT benefits, import and export benefits and custom duty benefits, MAT credit, tax deferrals, accumulated tax losses, unabsorbed tax depreciation of YCL;

For Yash Pakka Limited


Narender K. Agrawal
Director Works

4.1.12.5. any license fee with any Governmental Authority that may have been paid by YCL;

4.1.12.6. all intellectual property rights including trademarks, brands, domain names, trade names and the goodwill associated therewith, patent rights copyrights and other industrial designs and intellectual properties and rights of any nature whatsoever including know-how assignments and grants in respect thereof of YCL;

4.1.12.7. all employees of YCL;

4.1.13. and in each case, as on the commencement of the Appointed Date and as modified and altered from time to time till the Effective Date.

4.1.14. "**YCL**" or "**Transferor Company**" means Yash Compostables Limited, a company incorporated under the Companies Act, 2013 and having its registered office situated at at Flat No.202, 3A/172 Azad Nagar, Kanpur 208002, Uttar Pradesh. The Permanent Account Number of YCL is AAACY6672M.

4.1.15. "**YPL**" or "**Transferee Company**" means Yash Pakka Limited, incorporated under the provisions of the Companies Act, 1956 and having its registered office at 2nd Floor, 24/57, Birhana Road, Kanpur - 208001, Uttar Pradesh. The Permanent Account Number of YPL is AAACY0482H.

All terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 (as the case may be) or other applicable laws, rules, regulations, bye-laws, as

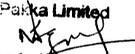
For Yash Pakka Limited

Naranda K. Agrawal
Director Works

the case may be, including any statutory amendment, modification or re-enactment thereof, from time to time.

5. INTERPRETATION

- 5.1. In this Scheme, unless the context otherwise requires:
- 5.1.1. words denoting singular shall include plural and vice versa;
 - 5.1.2. headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
 - 5.1.3. references to the word "include" or "including" shall be construed without limitation;
 - 5.1.4. a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
 - 5.1.5. unless otherwise defined, the reference to the word "days" shall mean calendar days;
 - 5.1.6. references to dates and times shall be construed to be references to Indian dates and times;
 - 5.1.7. reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
 - 5.1.8. word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and
 - 5.1.9. references to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not

Yash Pakka Limited

Narendra K. Agrawal
Director Works

having separate legal personality).

6. SHARE CAPITAL

6.1. The Share Capital of YCL as on March 31, 2020 is as under:

Particulars	(Amount in Rs.)
Authorised Share Capital	
50,000 Equity Shares of Rs.10 each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up Capital:	
50,000 Equity Shares of Rs.10 each	5,00,000
Total	5,00,000

6.2. The Share Capital of YPL as on March 31, 2020 is as under:

Particulars	(Amount in Rs.)
Authorised Share Capital	
Equity Shares	
5,60,00,000 equity shares of Rs.10/- each	56,00,00,000
Preference Shares	
4,00,000 preference shares of Rs.100/- each	4,00,00,000
Total	60,00,00,000
Issued, Subscribed and Paid-up Capital:	
3,52,40,000 Equity shares of Rs.10 each	35,24,00,000
Total	35,24,00,000

6.3. As on date of the approval of the Scheme by the Board of Directors of YCL and YPL, there is no change in the capital structure of YCL or YPL.

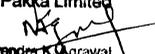
PART III

MERGER OF YCL WITH YPL

7. TRANSFER AND VESTING OF ASSETS AND LIABILITIES OF YCL INTO YPL

- 7.1. The entire assets, liabilities, business and undertaking (including, the Transferor Undertaking) of YCL shall, with effect from the Appointed Date and 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 YPL, as a going concern, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the relevant Act and in accordance with the provisions of Sections 2(1B) and 47 of the Income Tax Act, 1961 and the provisions of this Scheme in relation to the mode of transfer and vesting of assets. This Scheme is a '*Merger by Absorption*' in terms of the Explanation provided in Section 232 of the Act and shall be deemed to be regarded as an '*Amalgamation*' in terms of Section 2(1B) of the Income Tax Act, 1961.
- 7.2. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) and other relevant provisions of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961.
- 7.3. The assets of YCL, which are moveable in nature or incorporeal

For Yash Pakka Limited


Narendra K. Agrawal
Director Works

property or are otherwise capable of transfer by manual delivery or by endorsement and acknowledgement of possession, shall be so transferred by YCL and shall become the property of YPL without any act or deed on the part of YCL without requiring any separate deed or instrument or conveyance for the same to the end and intent that the property and benefits therein passes to YPL.

- 7.4. The assets of YCL on the Appointed Date shall upon the Scheme coming into effect, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred and vested in YPL pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act and the vesting of all such assets shall take place from the Effective Date.
- 7.5. The assets of YCL, acquired by YCL on and from the Appointed Date up to the Effective Date, shall also without any further act, instrument or deed stand transferred to or be deemed to have been transferred to YPL upon the Scheme coming into effect.
- 7.6. For avoidance of doubt, upon the Scheme coming into effect, all the rights, title, interest and claims of YCL in any leasehold properties shall, pursuant to Section 232 of the Companies Act, 2013 and other applicable provisions of Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in YPL.
- 7.7. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all approvals, permits, quotas, environmental approval and consents, consents, permissions (municipal and any other statutory permission), licences, accreditations to trade and industrial bodies, privileges, powers, facilities, certificates, clearances, membership, subscriptions, entitlements, incentives, engagements, remissions, remedies, powers, facilities,

For Yash Pakka Limited


Narendra K. Agrawal
Director/Works

rehabilitation schemes, authorities, subsidies, concession, special status and other benefits or privileges (granted by any Governmental Authorities or by any other person) any exemptions or waivers of every kind and description of whatsoever nature, powers of attorney given by, issued to or executed in favour of YCL, shall stand transferred to YPL as if the same were originally given by, issued to or executed in favour of YPL and YPL shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to YPL.

- 7.8. As a consequence of the amalgamation of YCL with YPL in accordance with this Scheme, the recording of change in name from YCL to YPL, whether for the purposes of any licence, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.
- 7.9. Without prejudice to the other provisions of this Scheme, YPL may, at any time after the Scheme becoming effective, in accordance with the provisions hereof, if required by any applicable law or otherwise, take such actions or execute such documents or deeds or make such applications to the Governmental Authorities or any third person for the purposes of transfer/vesting of the approvals, sanctions, consents, permits, rights, entitlements, contracts or arrangements to which YCL was entitled to or party to, as the case may be and such authority or third party shall pursuant to sanction of this Scheme by Adjudicating Body, deem to take on record in the name of YPL. YPL shall make applications to any Governmental Authorities or any third persons (as the case may be) as may be necessary in this behalf.

For Yash Pakka Limited


Narender Agrawal
Director, Works

- 7.10. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of YCL occurs by virtue of this Scheme itself, YPL may, at any time after the Scheme coming into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (not limited to deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangements to which YCL was a party or any writing as may be necessary to be executed in order to give formal effect to the above provisions. YPL shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of YCL and to carry out or perform all such formalities and compliances as required by YCL.
- 7.11. YPL shall be entitled to the benefit of all insurance policies which have been issued in respect of YCL and the name of YPL shall be substituted as "Insured" in the policies as if YPL was initially a party.
- 7.12. With effect from the Appointed Date, all debts, liabilities and obligations, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet of YCL, as on the close of the business on the day immediately preceding the Appointed Date, shall become the debts liabilities, duties and obligations of YPL. Upon the Scheme coming into effect, YPL shall, in relation to all debts, liabilities and obligations provided for and disclosed in the books of accounts and/ or balance sheet of YCL meet, discharge and satisfy the same to the exclusion of YCL.
- 7.13. With effect from the Appointed Date, and subject to the provisions of this Scheme, the liabilities of YCL including, but not limited to all secured and unsecured debts, sundry creditors, liabilities (including contingent liabilities), and all duties and obligations (including any guarantees, indemnities, letter of credit

For Yash Pakta Limited

Narendra K. Agrawal
Director/Works

or any other instrument or arrangement which may give rise to a contingent liability in whatever form) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations, shall, pursuant to the sanction of this Scheme by the Adjudicating Body and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument or deed or matter or thing be transferred to and vested in or be deemed to have been transferred to and vested in YPL, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by YPL to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the liabilities of YPL on the same terms and conditions as were applicable to YCL, without any consent of any third party or other person who is a party to the contract or arrangements by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause. Further, any existing credit facilities which have been sanctioned to YCL by the bankers, financial institutions and any third party and which is standing as on the Appointed Date but before the Effective Date shall upon the Scheme coming into effect *ipso facto* extend to YPL.

- 7.14. Where any such debts, loans raised, liabilities, duties and obligations of YCL as on the Appointed Date have been discharged or satisfied by YCL after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of YPL.
- 7.15. With effect from the Appointed Date, all guarantees, indemnities and contingent liabilities of YCL shall also, without any further act or deed, be transferred to or be deemed to be transferred to YPL so as to become as and from the Appointed Date, as the guarantees, indemnities and contingent liabilities of YPL and it shall not be necessary to obtain the consent of any third party or

For Yash Pakka Limited


Harendra K. Agrawal
Director Works

other person who is a party to any contract or arrangement by virtue of which such guarantees, indemnities and contingent liabilities have arisen or given, in order to give effect to the provisions of this Clause.

- 7.16. The transfer and vesting of YCL as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of YCL, provided however, any reference in any security documents or arrangements, to which YCL is a party, wherein the assets of YCL have been or are offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to YCL as are vested in YPL by virtue of this Scheme, to the end and intent that such security, charges, hypothecation and mortgage shall not extend or be deemed to extend, to any of the other assets of YPL, provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the assets or any part thereof of YPL shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation or mortgages to the end and intent that such securities, charges, hypothecation and mortgages shall not extend or be deemed to extend, to any of other assets of YCL vested in YPL. Notwithstanding anything contrary provided in this Scheme, it is clarified that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by YCL which shall vest in YPL by virtue of the vesting of YCL with YPL and YPL shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.
- 7.17. Without prejudice to the foregoing provisions, YCL and YPL may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the

YCL Limited
N. K. Agrawal
Director (YCL)

respective ROC, Sub Registrar of Assurances and any other Governmental Authorities to give formal effect to the above provisions, if required.

- 7.18. All inter party transactions between YCL and YPL as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due *inter-se* i.e. between YCL and YPL as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 7.19. All the loans, advances, credit, overdraft and other facilities sanctioned to YCL by its bankers and financial institutions and any third party as on the Appointed Date, whether utilised, partly drawn or unutilised shall be deemed to be the loans and advances sanctioned to YPL and the said loans, advances and other facilities can be drawn and utilised either partly or fully by YCL from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by any of YCL (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances and other facilities made available to YPL and all the obligations of YCL under any loan agreement shall be construed and shall become the obligation of YPL without any further act or deed on the part of YPL. Further, any existing credit facilities which have been sanctioned to YCL by the bankers and financial institutions prior to or after the Appointed Date but before the Effective Date shall, upon the Scheme coming into effect *ipso facto* extend to YPL.
- 7.20. All existing and future incentives, benefits, brought forward losses (if any), book unabsorbed depreciation, tax unabsorbed depreciation, un-availed credits and exemptions and other

For Yash Pakra Limited

Narendra R. Agrawal
Director Works

statutory benefits, including in respect of income tax, excise (including cenvat), customs, central goods and services tax, state goods and services tax, integrated goods and services tax, value added tax, sales tax, service tax etc. to which YCL is entitled to in terms of the various statutes / schemes / policies, etc. of Union and State Governments shall be available to and shall vest in YPL upon this Scheme becoming effective. Accordingly, upon the Scheme becoming effective, YPL is expressly permitted to revise, if it becomes necessary, its Income tax returns, Sales tax returns, Excise & Cenvat returns, service tax returns, other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme. YPL is also expressly permitted to claim refunds and credits in respect of any transaction between or amongst YCL and YPL.

- 7.21. All taxes, including, income-tax, tax on book profits, service tax, value added tax, central goods and service tax, state goods and service tax, integrated goods and services tax etc. paid or payable by YCL in respect of the operations and/ or the profits of YCL before the Appointed Date, shall be on account of YCL and, in so far as it relates to the tax payment (including, without limitation, income-tax, tax on book profits, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by YCL in respect of the profits or activities or operation of YCL after the Appointed Date, the same shall be deemed to be the corresponding item paid by YPL and shall, in all proceedings, be dealt with accordingly. Any tax deducted at source by YCL/ YPL on payables to YCL/ YPL on account of inter corporate loans or balances between YCL and YPL which has been deemed not to be accrued, shall be deemed to be advance taxes paid by YPL and shall, in all proceedings, be dealt with accordingly.
- 7.22. Any refund, under the Income-tax Act, 1961, central goods and services tax, state goods and services tax, integrated goods and services tax, service tax laws, excise duty laws, central sales tax,

For Yash Pakka Limited


Narendra K. Agrawal
Director Works

applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies due to YCL consequent to the assessment made on YCL (including any refund for which no credit is taken in the accounts of YCL) as on the date immediately preceding the Appointed Date shall also belong to and be received by YPL, upon this Scheme becoming effective.

- 7.23. Any tax liabilities under the Income-tax Act, 1961, central goods and services tax, state goods and services tax, integrated goods and services tax, service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/regulations dealing with taxes/ duties/ levies of YCL to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to YPL.
- 7.24. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of YCL after the Effective Date shall be accepted by the bankers of YPL and credited to the account of YPL, if presented by YPL. Similarly, the banker of YPL shall honour all cheques issued by YCL for payment after the Effective Date. If required, YCL shall allow maintaining of banks accounts in the name of YCL by YPL for such time as may be determined to be necessary by YCL and YPL for presentation and deposition of cheques and pay orders that have been issued in the name of YCL. It is hereby expressly clarified that any legal proceedings by or against YCL in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of YCL shall be instituted, or as the case may be, continued, by or against, YPL after the coming into effect of the Scheme.
- 7.25. Pursuant to the order of the Adjudicating Body, YPL shall file the relevant notifications and communications in relation to assignment, transfer, cancellation, modification, or encumbrance

For Yash Pexka Limited
Narendra K. Grewal
Director, Works

of any license/ certificate and any other registration including but not limited to central goods and services tax, state goods and services tax, integrated goods and services tax, value added tax, excise, service tax, income tax, IEC Code, ESI, company registration number, PF, etc. if any, for the record of the appropriate authorities, which shall take them on record.

8. ISSUE OF NEW SHARES

- 8.1. Upon the Scheme coming into effect and without any further act or deed on the part of YPL, YPL will, in consideration of transfer and vesting of YCL into YPL in terms of this Scheme, issue 28,38,500 (Twenty eight lakhs thirty eight thousand five hundred) equity shares of Rs.10 each (the "**New Shares**") to the registered fully paid-up equity shareholders of YCL in the ratio of 1:56.77, i.e. 56.77 (Fifty six point seventy seven only) equity share of Rs.10 each credited as fully paid up in YPL for every 1 equity share of Rs.10 each fully paid up held by them in YCL (the "**New Shares Entitlement Ratio**"). The New Shares will be issued in the New Shares Entitlement Ratio to registered fully paid-up equity shareholders of YCL whose names are recorded in the register of equity shareholders of YCL on the Record Date.
- 8.2. Ms. Sudha Bhushan, Registered Valuer (Reg. No.: IBBI/RV/07/2019/12234) has issued the report dated June 18, 2020 on the Share Exchange Ratio. Mark Corporate Advisors Private Limited, Mumbai, Merchant Banker has provided its fairness opinion on the Valuation Report issued by Ms. Sudha Bhushan. The aforesaid reports on Shares Exchange Ratio and Fairness Opinion have been duly considered by the Audit Committee of YPL and the Boards of Directors of YCL and YPL, respectively. As per the Valuation Report prepared by the MS. Sudha Bhushan, Registered Valuer, the share exchange ratio determined was 68.63: 1 i.e. (Sixty eight point sixty three) equity shares of Rs.10 each credited as fully paid up in YPL for every 1

For Yash Pakia Limited

Narendra K. Agrawal
Director/Works

(One) equity share of Rs.10 each fully paid up held by them in YCL on basis of the valuation of the assets and liabilities of YPL carried out by them as provided in their report. However, for the benefit of the public shareholders, the Board of YPL considered and approved a simple average price of last 12 (*twelve*) months instead of 26 (*twenty six*) weeks as a price base as this will benefit YPL and its public shareholders and decided that the per equity share value of YPL should be revised upward to Rs.41.68 per equity share as against the value arrived by Registered Valuer at Rs.34.48. Accordingly, the new share exchange ratio will be 56.77: 1 i.e. (Fifty six point seventy seven) equity shares of Rs.10 each credited as fully paid up in the YPL for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL.

- 8.3. YPL, shall, increase its authorised share capital, to the extent required, in order to issue the New Shares under this Scheme in accordance with the procedure prescribed under Section 61 of the Companies Act, 2013, without prejudice to the right of YPL to avail set off for the fees paid by YCL as per Clause 8.4 in terms of Section 232(3)(i) of the Act.
- 8.4. Upon the Scheme coming into effect, the fees paid by YCL on the authorised share capital of YCL shall, without any act or deed, be available as a set off to YPL in terms of Section 232(3)(i) of the Act. It is hereby clarified that YPL availing any set off of fees in relation to increase of its authorised share capital shall be effected as an integral part of this Scheme without any further act or deed on the part of YPL and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment. YPL shall not be obliged to follow the procedure or filing as required under Sections 13, 61, 64 of the Companies Act, 2013 or any other applicable provisions of the relevant Act. It is further clarified that no registration fee/ ROC fees, stamp duty etc., shall be payable by YPL to such extent.
- 8.5. The aforesaid quantum of merging of authorised share capital of

For Yash Parka Limited


Narinder K. Dhillon
Director

YCL with YPL and consequent amendment to the Memorandum of Association of YPL is indicative in nature and the same shall be subject to change due to any increase in authorised share capital of YCL or YPL pursuant to the Appointed Date till the Scheme coming into effect. Any such increase in the authorised share capital of YCL or YPL pursuant to the Appointed Date till the Scheme coming into effect shall stand *ipso facto* added or clubbed to aggregate authorised share capital of YPL.

- 8.6. The New Shares, to be issued by YPL pursuant to Clause 8, shall be issued and allotted in dematerialised form by YPL.
- 8.7. In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of YCL, the Board of Directors, or any committee thereof, of YCL shall be empowered in appropriate cases, even subsequent to the Record Date, as the case may be, to effectuate such a transfer in YCL, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to YCL or YPL, as the case may be, in respect of such shares.
- 8.8. In the event the New Shares are required to be issued and allotted to such shareholders of YCL, being non-resident, the issue of such shares shall be in accordance with the provisions of the Foreign Exchange Management Act, 1999 and the applicable rules and regulations made thereunder (for the time being in force, including, any statutory modifications, re-enactments or amendments made thereto from time to time).
- 8.9. The New Shares, to be issued and allotted by YPL, in terms of this Scheme, shall be subject to the provisions of the Memorandum of Association and Articles of Association of YPL. The New Shares, to be issued and allotted, shall rank *pari-passu* in all respects with the existing shares of YPL, including in respect of dividends, if any, that may be declared by YPL, on or

For Yash Pakka Limited


Narendrakumar Desai
Director, YPL

after the Effective Date.

- 8.10. If, after applying the New Shares Entitlement Ratio, a person eligible to receive equity shares of YPL pursuant to Clause 8, becomes entitled to receive any fractional equity shares of YPL, such person shall be entitled to receive one fully paid share instead of any such fractional entitlement.
- 8.11. Pursuant to Clause 8.10 above, the total number of shares that will be issued to equity shareholders of YCL, may vary from the total number of shares of YPL to be issued as set forth in the first sentence of Clause 8.1.
- 8.12. The issue and allotment of the New Shares in YPL to the relevant shareholders of YCL as provided in the Scheme shall be carried out and the same would not require following of the procedure laid down under Section 42 and 62 of the Companies Act, 2013 and any other applicable provisions of the relevant Act.
- 8.13. The New Shares to be issued by YPL under this Scheme pursuant to Clause 8 in respect of any equity shares of YCL which are held in abeyance under the provisions of Section 126 of the Companies Act, 2013 and other applicable provisions of the relevant Act shall, pending allotment or settlement of dispute by the order of court or otherwise, also be held in abeyance by YCL and YPL.
- 8.14. For the purpose of issue of the New Shares to the equity shareholders of YCL, YPL may, if and to the extent required, apply for and obtain the required statutory approvals from the Governmental Authorities for the issue and allotment by YPL of such New Shares.
- 8.15. Subsequent to the sanction of the Scheme, YPL will make an application for listing of the New Shares, in which the shares of YPL are listed, in pursuance to the relevant regulations including,

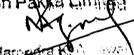
For Yash Parka Limited
Narend
2017

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circulars.

- 8.16. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/ trading permission is given by the designated stock exchange i.e. BSE Limited.
- 8.17. The New Shares, to be issued by YPL under this Scheme to shareholders of YCL, in lieu of the locked in shares of YCL, if any, shall be subject to lock-in requirement for the remaining period in terms of the LODR read with the SEBI Circulars.
- 8.18. There shall be no change in the shareholding pattern or control in YPL between the Record Date and the listing of the shares of YPL by the stock exchange – BSE Limited in terms of this Scheme.
- 8.19. YPL and YCL shall duly comply with various provisions of the LODR read with the SEBI Circulars.

9. CANCELLATION OF LOANS AND ADVANCES

- 9.1. Upon the Scheme coming into effect, all the loans, inter-corporate deposits, advances or any kind of debts, as the case may be, paid or subscribed by YCL in YPL and vice versa shall, without any further act or deed, get cancelled at their respective face value.
- 9.2. Upon the Scheme coming into effect, any instrument either issued by YPL or YCL in relation to any outstanding loans, advances and/or any kind of debts, as the case may be, as set out in Clause 9.1 shall also, without any further act or deed, get cancelled.
- 9.3. The obligations in respect of aforesaid loans, advances or any kind of debts, as the case may be, shall come to an end and a

For Yash Parka Limited

Narinder K. Singh
Director

corresponding suitable effect shall be given in the books of accounts and records of YPL. If required reduction/ cancellation of such loans, advances or any kind of debts shall be reflected in the books of accounts and records of YPL.

10. DISSOLUTION OF YCL

- 10.1. Upon the Scheme coming into effect, YCL shall, without any further act or deed, stand dissolved without winding up. The name of YCL shall be struck off from the records of the Registrar of Companies, Uttar Pradesh and YPL shall make necessary filings in this regard.

PART IV ACCOUNTING TREATMENT

11. ACCOUNTING TREATMENT IN BOOKS OF YPL

- 11.1. The merger of YCL with YPL is a 'Business combinations of entities ' within the meaning of Indian Accounting Standard ("Ind AS") 103 issued by the Central Government u/s 133 of the Companies Act, 2013 or any applicable standard prevailing. Upon the Scheme coming into effect:
- 11.1.1. YPL shall recognize the accounting treatment for this Scheme, upon the Scheme becoming effective, in accordance with the provisions of Ind AS 103 as notified under section 133 of the Companies Act, 2013.
- 11.1.2. To the extent that there are inter-corporate loans/trade deposits, debentures, debt securities or balances between YCL and YPL, the obligation in respect thereof shall come to an end and corresponding effect shall be given in the books of account and the records of YPL for the reduction / netting of any assets or liabilities, as the case may be.

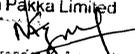
For Yash Pakka Limited

Nand Lal Arora
Director

PART V
GENERAL CLAUSES

12. STAFF, WORKMEN AND EMPLOYEES

- 12.1. On the Scheme coming into effect, all the employees of YCL in service on such date shall be deemed to have become employees of YPL with effect from the Effective Date without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with YPL shall not be less favourable than those applicable to them with reference to YCL on the Effective Date. The position, rank and designation of the employees would however be decided by YPL. Any salary, compensation, fringe benefits, perquisites and other kind of consideration given by YCL from the Appointed Date till the Effective Date will be deemed to have been paid by YPL.
- 12.2. In so far as the Provident Fund, Gratuity Fund or any other Special Fund created or existing for the benefit of the employees of YCL are concerned, upon the Scheme coming into effect, YPL shall, stand substituted for YCL for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of YCL in relation to such Fund or Funds shall become those of YPL and all the rights, duties and benefits of the employees employed in YCL under such Funds and Trusts shall be protected, subject to the provisions of law for the time being in force. The contributions made by YCL in respect of its employees to such Fund or Funds for any period subsequent to the Appointed Date shall be deemed to be contributions made by YPL. It is clarified that the services of the employees of YCL will be treated as having been continuous for the purpose of the said Fund or Funds.

For Yash Pakka Limited

Narender K. Agarwal
Director

13. CONTRACTS, DEEDS AND STATUTORY CONSENTS

- 13.1. Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature of YCL which are subsisting or having effect immediately before the Effective Date shall be in full force against or in favour of YPL, and may be enforced as fully and effectively as if, instead of YCL, YPL has been a party or beneficiary thereto. YPL shall, if necessary, to give formal effect to this Clause, enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which YCL is a party.
- 13.2. YPL 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, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which YCL is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. YPL shall be deemed to be authorised to execute any such writings on behalf and in the name of YCL and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of YCL.
- 13.3. YPL shall be entitled, pending the sanction of the Scheme, to apply to the relevant Governmental Authorities (including, the Court, Tribunal, Debt Recovery Tribunal, as the case may be or any other agency, department or other authorities concerned as may be necessary under law), for such consents, approvals and sanctions which YPL, respectively, may require to own and operate all or any party of YCL.

14. VALIDITY OF EXISTING RESOLUTIONS

For Yash Pakka Limited

Narendra K. Agrawal
Director/Works

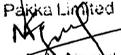
14.1. Upon coming into effect of this Scheme, the resolutions of YCL including the approvals that may have been obtained by YCL from its shareholders and which are valid and subsisting on the Effective Date, as are considered necessary by the Board of Directors of YPL shall be considered as resolutions of YPL. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of YPL, shall be added to the limits, if any, under the like resolutions passed by YPL.

15. LEGAL PROCEEDINGS

15.1. Any suit, petition, appeal or other proceeding of whatsoever nature and any orders of court, judicial or quasi-judicial tribunal or other Governmental Authorities enforceable by or against YCL including without limitation any restraining orders (including order under section 281B of the Income-tax Act, 1961) pending before any court, judicial or quasi-judicial tribunal or any other forum, relating to YCL, whether by or against YCL, pending as on the Effective Date, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation of YCL or of any order of or direction passed or issued in the amalgamation proceedings or anything contained in this Scheme, but by virtue of the order sanctioning the Scheme, such legal proceedings shall be continued and any prosecution shall be enforced by or against YPL in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against YCL, as if this Scheme had not been implemented.

15.2. After the Appointed Date and until the Effective Date, YCL shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of YPL.

For Yash Patka Limited


Narendra Agrawal
Director/Works

15.3. The transfer and vesting of the assets and liabilities under the Scheme and the continuance of the proceedings by or against YPL shall not affect any transaction or proceeding already completed by YCL between the Appointed Date and the Effective Date to the end and intent that YPL accepts all acts, deeds and things done and executed by and/or on behalf of YCL as acts, deeds and things done and executed by and on behalf of YPL.

16. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

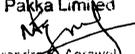
16.1. With effect from the Appointed Date and up to the Effective Date:

16.1.1. YCL shall carry on its business and activities in the normal course of business till the vesting of the Transferor Undertaking and amalgamation of YCL with YPL on the Effective Date and shall be deemed to have held or stood possessed of and shall hold and stand possessed of all the assets of YCL for and on account of and in trust for YPL.

16.1.2. all the profits or income accruing or arising to YCL in relation to the Transferor Undertaking or the expenditure or losses arising or incurred by YCL shall for all purposes be treated and be deemed to be and accrued as the profits and income or expenditure or losses of YPL.

16.1.3. YCL shall carry on their business activities with general prudence and shall not, without prior written consent of YPL, alienate, charge or otherwise deal with or dispose off any of its business undertaking or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by YCL prior to the Appointed Date).

16.1.4. YCL shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other

For Yash Pakka Limited

Narender K. Agrawal
Director (YCL)

agencies, departments and statutory authorities concerned, including Securities & Exchange Board of India (SEBI) and BSE Ltd. wherever necessary for such consents, approval and sanctions which YPL may require including the registration, approvals, exemptions, reliefs, etc., as may be required to be granted under any law for time being in force for carrying on business by YPL.

16.1.5. YCL shall not make any modification to its capital structure, either by increase, decrease, reclassification, sub-division or reorganisation or in any other manner, whatsoever, except by mutual consent of the Boards of Directors of YCL and of YPL.

16.1.6. all the taxes of YCL in relation to the Transferor Undertaking paid or payable by YCL, including Income Tax Refunds receivable, Tax Credits such as TDS Deducted by Customers/Banks, CENVAT Credit Balances, Goods and Services Tax Credit Balances, Goods and Services Tax Refunds due and Service Tax Refunds due, etc. shall be deemed to be taxes paid or payable by or Credits available (as the case may be) for YPL; and

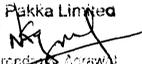
16.1.7. YCL shall, with simultaneous intimation to YPL, take major policy decisions in respect of its assets and liabilities and its present capital structure.

17. RATIFICATION

17.1. Except as provided in the Clauses above, YPL shall accept all acts, deeds and things relating to the Transferor Undertaking, done and executed by and/or on behalf of YCL on and after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of YPL, as the case may be.

18. DIVIDEND, PROFIT, BONUS, RIGHT SHARES

For Yash Pakka Limited


Narendra Agrawal
Director (YPL)

18.1. At any time upto the Effective Date, YCL shall not declare dividend, distribute profits, or issue or allot any right shares or bonus shares or any other security converting into equity shares or other share capital or obtain any other financial assistance converting into equity shares or other share capital, unless agreed to by the Board of Directors of YPL.

PART VI
GENERAL TERMS AND CONDITIONS

19. APPLICATION TO ADJUDICATING BODY

19.1. YCL and YPL shall, with all reasonable despatch, make applications/petitions (jointly, if permissible) under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act to the relevant Adjudicating Body, for sanctioning of this Scheme and all matters ancillary or incidental thereto.

20. MODIFICATIONS, AMENDMENTS TO THE SCHEME

20.1. Upon prior approval from the Adjudicating Body, YCL and YPL (by their respective Board of Directors) may assent from time to time on behalf of persons concerned to any modifications/amendments to this Scheme (including but not limited to the terms and conditions thereof) or any conditions or limitations which the relevant Adjudicating Body, or any authorities under the law may deem fit to approve or impose and to resolve any doubt or difficulties that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things necessary for putting the Scheme into effect.

20.2. For the purpose of giving effect of this Scheme or to any modifications or amendments, thereof, the Directors of YCL and

For Yash Pakka Limited

Narinder Singh, Director

YPL, or any person authorised in that behalf by the concerned Board of Directors, may give and is/are authorised to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

21. CONDITIONALITY OF THE SCHEME

21.1. Unless otherwise decided by the Board of YCL and YPL, this Scheme is specifically conditional upon and subject to:

21.1.1. the approval of the Scheme by the requisite majority of the respective members and such class of persons of YCL and YPL, as required in terms of the applicable provisions of the relevant Act as well as any requirements that may be stipulated by the relevant Adjudicating Body in this respect;

21.1.2. in addition to the requirement stipulated under Clause 21.1.1 of this Scheme, in case of YPL, the requisite resolution with respect to this Scheme, shall be passed through e-voting, after disclosure of all material facts in the explanatory statement (including the applicable information pertaining to YCL in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations), in the explanatory statement or notice or proposal accompanying resolution to be passed sent to the shareholders while seeking approval of the scheme whereby the votes cast by the public shareholders of YPL in favour of the proposal relating to the Scheme are more than the number of votes cast by the public shareholders of YPL against it as per the requirement under the SEBI Circulars. This Scheme is conditional upon the Scheme being approved by the public shareholders through e-voting in terms of para 9 (a) of part I of Annexure I of SEBI Circular dated March 10, 2017;

21.1.3. sanction of the relevant Adjudicating Body, being obtained under Sections 230 to 232 of the Companies Act, 2013, and other

For Yash Fajika Limited
Naren Das, Director (YCL)

applicable provisions of the Act, if so required on behalf of YCL and YPL;

- 21.1.4. the necessary certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the Registrar of Companies;
- 21.1.5. approval of the Government of India and/ or Reserve Bank of India and/ or Securities and Exchange Board of India, if required and the consent of the BSE Limited where such approval or consent is necessary; and
- 21.1.6. all other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

22. EFFECTIVE DATE OF THE SCHEME

- 22.1. The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Adjudicating Body and/or by the Board of Directors in terms of Clause 21 shall although be operative from the Effective Date but shall be deemed to be retrospectively effective from the Appointed Date in accordance with the provisions of Section 232 (6) of the Act.

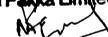
23. REVOCATION OF THE SCHEME

- 23.1. In the event of any of the said sanction and approval referred to in the preceding Clauses 21 above not being obtained and/or the Scheme not being sanctioned by applicable Adjudicating Body and/or the Order(s) not being passed as aforesaid within twenty four (24) months from the date of filing of the Company Application with the relevant Adjudicating Body, or within such further period(s) as may be agreed upon from time to time between YCL and YPL (through their respective Board of

For Yash Pakka Limited
Narender K. Arora
Director

Directors), this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* between YCL and YPL, or their respective shareholders or employees or any other persons, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, obligation and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in this Scheme and or otherwise arise as per law. For the purpose of giving full effect to this Scheme, the respective Board of Directors of YCL and YPL, are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their power through and by their respective delegates.

- 23.2. The Board of Directors of YCL and YPL, shall be entitled to revoke, cancel and declare the Scheme of no effect if such Boards of Directors of YCL and YPL are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up/ certified/ authenticated orders with any authority could have adverse implication on both/ any of the companies or in case any condition or alteration imposed by the relevant Adjudicating Body or any other authority is not on terms acceptable to them.
- 23.3. If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

For Yash Pakka Limited

Navendra K. Agrawal
Director (Works)

24. COSTS, CHARGES AND EXPENSES CONNECTED WITH THE SCHEME

24.1. All costs, charges, taxes including duties, levies and all other expenses of YCL and YPL in relation to or in connection with or incidental to this Scheme shall be borne by YPL.

~~Narendra Singh Pakka Limited
Narendra Singh
Narendra Singh~~

INDEPENDENT AUDITOR'S REPORT

To
The Members of Yash Compostables Limited

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of **Yash Compostables Limited** ("the Company"), which comprise the balance sheet as at March 31, 2021, and the Statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include *the financial statements and our auditors' report thereon*.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 197(16) of the Act, we report that the remuneration paid by the Company to its directors during the year is in accordance with the provisions of and limits laid down under Section 197 the Act.
3. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as of March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigations which would impact its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Kanpur
Date: 14.08.2021

For Rajeev Prem & Associates,
Chartered Accountants
Firm Registration No. 008905C



Rajeev Kapoor
PARTNER
Membership No. 077827



UDIN - 21077827AAAAGS1021

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 of our report of even date on the financial statements for the financial year ended March 31, 2021 of Yash Compostables Limited)

In terms of the information and explanations given to us and also on the basis of such checks as we considered appropriate, we state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and the nature of fixed assets. No discrepancies have been noticed in respect of the assets physically verified during the year.
- (c) The company does not own any immoveable property.
- (ii) The inventories of the Company have been physically verified by the management at regular interval during the year. In our opinion, the frequency of verification is reasonable. As explained to us, the discrepancies noticed on verification were not material in relation to the operations of the Company.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013 (the Act).
- (iv) The company has not granted/made/given any loan, investment, guarantee, or security where provisions of section 185 and 186 of the Act are applicable. Hence, paragraph 3(iv) of the Order is not applicable.
- (v) In our opinion, the Company has not accepted any deposit during the year within the meaning of Section 73 to Section 76 of the Companies Act, 2013 (the Act) read with the Rules framed there under. Hence, paragraph 3(v) of the Order is not applicable.
- (vi) Provisions for maintaining Cost Records pursuant to the Rules framed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 are not applicable to the company during the year.
- (vii) (a) According to the books and records produced and examined by us, the Company is generally regular in depositing undisputed Statutory dues including Income Tax, GST and other material statutory dues as applicable with the appropriate authorities and no undisputed amount payable in respect of aforesaid statutory dues were outstanding as at March 31, 2021 for a period of more than six months from the date, they become payable.
- (b) According to the information and explanations given to us, there are no dues of Income Tax and GST which have not been deposited on account of any dispute.
- (viii) The company does not have any loan or borrowings from any financial institution, bank, government or debenture holders during the year. Hence, paragraph 3(viii) of the Order is not applicable.
- (ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year.
- (x) Based on the audit procedures performed and according to the information and explanations given to us, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.



- (xi) In our opinion, the managerial remuneration paid or provided by the company is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) The company is not a "Nidhi Company"; hence paragraph 3(xii) the Order is not applicable.
- (xiii) In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) The company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, paragraph 3(xiv) the Order is not applicable.
- (xv) In our opinion, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, paragraph 3(xv) the Order is not applicable.
- (xvi) In our opinion, the company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

Place: Kanpur
Date: 14.08.2021

For Rajeev Prem & Associates,
Chartered Accountants
Firm Registration No. 008905C



Rajeev Kapoor
PARTNER
Membership No. 077827



UDIN - 21077827AAAA4S1021

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 3(f) of our report of even date on the financial statements for the financial year ended March 31, 2021 of Yash Compostables Limited)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of **Yash Compostables Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and; both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place: Kanpur
Date: 14-08-2021

For Rajeev Prem & Associates,
Chartered Accountants
Firm Registration No. 008905C



Rajeev Kapoor
PARTNER
Membership No. 077827



UDIN - 21077827A AAA 6S1021

YASH COMPOSTABLES LIMITED
(formerly YASH ECOENERGY LIMITED)
(CIN: U40100UP2014PLC062981)

BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Note No.	As at 31st March	
		2021 (Rupees)	2020 (Rupees)
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	2	5,00,000.00	5,00,000.00
(b) Surplus	3	(75,38,284.18)	(1,29,94,611.34)
(c) Money received against share warrants		(70,38,284.18)	-
2. Share application money pending allotment			
3. Non-current liabilities			
(a) Long-term borrowings			-
(b) Deferred tax liabilities (net)			-
(c) Other long-term liabilities			-
(d) Long-term provisions			-
4. Current Liabilities			
(a) Short-term borrowings			-
(b) Trade Payables	4	4,09,76,719.29	3,86,11,994.90
(c) Other current liabilities	5	19,73,436.75	17,65,942.12
(d) Short-term provisions	6	14,70,248.45	11,12,719.00
TOTAL		3,73,82,120.32	2,89,96,044.68
II. ASSETS :			
1. Non Current Assets			
(a) Property, Plant and Equipment	7		
(i) Tangible Assets		6,21,488.86	3,84,144.97
(ii) Intangible Assets			-
(iii) Capital work-in-progress			-
(iv) Intangible assets under development			9,10,404.56
(b) Non-current Investments			-
(c) Deferred tax assets (net)	8	36,05,156.29	45,35,453.51
(d) Long Term Loan and Advances			-
(e) Other non-current assets	9	1,33,280.00	43,59,925.15
2. Current Assets			
(a) Current investments			-
(b) Inventories	10	5,61,665.00	8,61,770.00
(c) Trade Receivable	11	2,70,45,022.96	2,00,56,742.70
(d) Cash and Cash Equivalents	12	50,19,617.71	17,95,199.71
(e) Short Term Loans and Advances	13	33,076.12	1,93,147.00
(f) Other current assets	14	3,62,813.38	3,30,22,195.17
TOTAL		3,73,82,120.32	2,89,96,044.68

Significant Accounting Policies

See accompanying notes to the financial statements

As per our report of even date
For Rajeev Prem & Associates
Chartered Accountants

Rajeev Kapoor
Rajeev Kapoor
Partner
M. No. 077827

For and on behalf of the Board of Directors

Amit Sharma
Amit Sharma
Executive Director
DIN: 07587504

Sumanth Pai
Sumanth Pai
Director
DIN: 08405547



YASH COMPOSTABLES LIMITED
(formerly YASH ECOENERGY LIMITED)
(CIN: U40100UP2014PLC062981)

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2021

Particulars	Note No.	Year ended 31st March 2021 (Rupees)	Year ended 31st March 2020 (Rupees)
REVENUE			
I. Revenue from operations	15	19,41,92,923.30	21,24,85,417.22
II. Other income	16	3,49,537.42	6,15,484.24
III. Total Revenue (I + II)		19,45,42,460.72	21,31,00,901.46
IV. EXPENSES			
Purchases of Traded Goods		15,56,94,345.00	18,42,83,674.69
Decrease/(Increase) in Inventories of Finished	17	3,00,105.00	(5,13,770.00)
Employee Benefits Expense	18	1,32,54,848.27	1,22,64,922.00
Finance Costs	19	37,50,727.49	35,16,070.08
Depreciation and Amortisation Expense	7	1,93,706.41	1,50,053.60
Other Expenses	20	1,38,53,924.71	1,57,07,951.19
Total Expenses		18,70,47,656.88	21,54,08,901.56
V. Profit/(Loss) before exceptional and extra ordinary items and tax (IV - V)		74,94,803.84	(23,08,000.10)
VI. Exceptional items			-
VII. Profit/(Loss) before extra ordinary items and tax (V - VI)		74,94,803.84	(23,08,000.10)
VIII. Extraordinary items			-
IX. Profit/(Loss) before tax (VII - VIII)		74,94,803.84	(23,08,000.10)
X. Tax Expenses			
- Current Tax		11,08,179.45	-
- Deferred Tax		9,30,297.22	(5,93,850.28)
- Mat Credit			-
XI. Profit/(Loss) for the year/period from continuing operations (IX - X)		54,56,327.16	(17,14,149.82)
XII. Profit/(Loss) from discontinuing operations			-
XIII. Tax expense of discontinuing operations			-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII - XIII)			-
XV. Profit/(Loss) for the year/period (XI + XIV)		54,56,327.16	(17,14,149.82)
XVI. Earning per Equity Share (Face value of Rs 10 each)			
Basic & Diluted	21	109.13	(34.28)
Significant Accounting Policies	1		

The accompanying notes form an integral part of these financial statements

As per our report of even date
For Rajeev Prem & Associates
Chartered Accountants

Rajeev Kapoor
Rajeev Kapoor
Partner
M. No. 077827



Place: KANPUR
Dated: 14.08.2021

For and on behalf of the Board of Directors

Amit Sharma
Amit Sharma
Executive Director
DIN: 07587504

Sumant Pai
Sumant Pai
Director
DIN: 08403547

YASH COMPOSTABLES LIMITED
(formerly YASH ECOENERGY LIMITED)
(CIN: U40100UP2014PLC062981)

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2021

Particulars	Year ended 31st March 2021 (Rupees)	Year ended 31st March 2020 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(Loss) before Tax	74,94,803.84	(23,08,000.10)
Adjustment for:-		
Depreciation/amortisation	1,93,706.41	1,50,053.60
Interest Income	(2,87,388.00)	(4,76,226.00)
Finance Cost	37,50,727.49	35,16,070.08
Profit on Sale of fixed Assets	2,537.00	(1,275.00)
	36,54,508.90	31,88,622.68
Operating Profit before Working Capital changes	1,11,49,312.74	8,80,622.58
Adjustment for:-		
Inventories	3,00,105.00	(5,13,770.00)
Trade and Other Receivables	(70,43,880.53)	23,93,218.67
Trade Payable and Other Liabilities	18,21,569.02	6,75,525.85
	(49,22,206.51)	25,54,974.52
Cash generated from operations	62,27,106.23	34,35,597.10
Interest Received	2,87,388.00	4,76,226.00
NET CASH FROM OPERATING ACTIVITIES	65,14,494.23	39,11,823.10
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets (Including CWIP)	(4,37,387.30)	(8,16,944.00)
Sale of Fixed Assets	9,19,278.56	10,000.00
Other Non Current Assets	(21,240.00)	(51,896.00)
NET CASH USED IN INVESTING ACTIVITIES	4,60,651.26	(8,58,840.00)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(37,50,727.49)	(35,16,070.08)
Increase/(Decrease) in Short Term Borrowings		-
Proceeds of Share Capital issued		-
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	(37,50,727.49)	(35,16,070.08)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	32,24,418.00	(4,63,086.98)
CASH AND CASH EQUIVALENTS (Opening Balance)	17,95,199.71	22,58,286.69
CASH AND CASH EQUIVALENTS (Closing Balance)	50,19,617.71	17,95,199.71
(See Note No. 12 for details)	0.00	0.00

Significant Accounting Policies

As per our report of even date
For Rajeev Prem & Associates
Chartered Accountants

Rajeev Kapoor
Rajeev Kapoor
Partner
M. No. 077827



Place: KANPUR
Dated: 14.08.2021

For and on behalf of the Board of Directors

Asmit Sharma
Asmit Sharma
Executive Director
DIN: 07587504

Sumanth Pai
Sumanth Pai
Director
DIN: 08405547

The company having Corporate Identity Number (CIN) U40100UP2014PLC062981 was incorporated vide Certificate of Incorporation issued by the Registrar of Companies Uttar Pradesh (ROC-UP) on 27.02.2014. Certificate for Commencement of Business was issued by ROC-UP on 21.03.2014.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention on accrual basis of accounting in accordance with the applicable Accounting Standards generally accepted accounting principles (GAAP) in India and the relevant provisions of the Companies Act, 2013.

1.2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reported period. Difference between actual results and estimates are recognized in the period in which the results are known/ materialised.

1.3 Property, Plant & Equipment

Property, Plant & Equipment are stated at their cost of acquisition or construction as the case may be and including all related acquisition / installation expenses and borrowing cost as per Accounting Standard (AS) 16. Subsidy received on Property, Plant & Equipment is credited to the cost of respective Property, Plant & Equipment. Cost so ascertained is adjusted for accumulated depreciation / amortization and provision for impairment.

1.4 Depreciation

Depreciation on Fixed Assets is provided on 'Straight Line Method' on the basis of useful life specified in schedule II to the companies Act, 2013. Fixed assets costing below Rs.5,000/- are fully depreciated in the year of addition. Depreciation is provided on pro-rata basis with reference to the date of addition/deletion in respect of addition to/deletion from fixed assets.

1.5 Impairment of assets

The company assesses at each Balance Sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the "recoverable amount" of asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the "carrying amount", the carrying amount is reduced to its recoverable amount. If at the Balance Sheet date there is an indication that a previously assessed / impaired loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount.

1.6 Investments

Investments are stated at cost. A provision for diminution is made if in the opinion of the management, the diminution in value is other than temporary.

1.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered probable. Contingent liabilities are disclosed by way of notes on accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable. Contingent assets are not recognised in the accounts.

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YASH COMPOSTABLES LIMITED

Notes to financial statements for the year ended 31st March, 2021

Particulars	As at 31st March 2021 (Rupees)	As at 31st March 2020 (Rupees)
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1.8 Revenue Recognition

Sales are recognised on despatch of goods to customers. Sales are exclusive of GST and are disclosed net of trade discount. Other revenue and expenses are recognised on accrual basis.

1.9 Borrowing Cost

Borrowing costs that are attributable to the acquisition/construction of qualifying assets are capitalised as part of cost of such assets. A qualifying asset is an asset that requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the year in which they are incurred.

1.10 Taxation

Provision for Income Tax is made after considering the various deductions/benefits admissible under the Income Tax Act, 1961. In accordance with AS 22 'Accounting for Taxes on Income', the company has recognised Deferred Tax arising out of timing differences between taxable income and accounting income and quantified the same using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

1.11 Prior period items, if material, are disclosed separately.

1.12 Cash flow statement has been prepared as per "Indirect Method" specified in AS-3 on Cash Flow Statement.

2. SHARE CAPITAL**Authorised**

50,000 Equity Shares of Rs. 10/- each

5,00,000.00

5,00,000.00

Issued and Subscribed

50,000 Equity Shares of Rs. 10/- each

5,00,000.00

5,00,000.00

Fully Paid-Up

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

5,00,000.00

5,00,000.00

Total

5,00,000.00

5,00,000.00

2.1 Reconciliation of the shares outstanding at the beginning and at the end of the year:**Equity shares**

	As at 31st March 2021		As at 31st March 2020	
	No. of shares	(Rupees)	No. of shares	(Rupees)
Outstanding at the beginning of the year/period	50,000	5,00,000.00	50,000	5,00,000.00
Shares subscribed during the year/period	-	-	-	-
Outstanding at the end of the year/period	50,000	5,00,000	50,000	5,00,000

2.2 Term/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.3 Bonus Shares/Shares for consideration other than cash issued & Buy Back of shares during preceding five years:

NIL

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YASH COMPOSTABLES LIMITED

Notes to financial statements for the year ended 31st March, 2021

Particulars	As at 31st March 2021 (Rupees)		As at 31st March 2020 (Rupees)	
	No. of Shares	% held	No. of Shares	% held
2.4 Shares held by holding/ultimate holding company and/or their subsidiaries/associates:	NIL		NIL	
2.5 Details of shareholders holding more than 5% shares in the company				
Name of the Share Holder	As at 31st March 2021		As at 31st March 2020	
Mr. Ved Krishna	49,400	98.80%	49,400	98.80%
3. SURPLUS				
Surplus in Statement of Profit and Loss				
Balance as per last Account	(1,29,94,611.34)		(1,12,80,461.52)	
Profit / (Loss) for the year/period	<u>54,56,327.16</u>		<u>(17,14,149.82)</u>	
Less: Appropriations	(75,38,284.18)	(75,38,284.18)	(1,29,94,611.34)	(1,29,94,611.34)
Total		<u>(75,38,284.18)</u>		<u>(1,29,94,611.34)</u>
4 Trade Payable				
Total outstanding dues of MSME				
-outstanding due				1,78,200.00
-outstanding overdue				
Total outstanding dues other than MSME		<u>4,09,76,719.29</u>		<u>3,84,33,794.90</u>
		<u>4,09,76,719.29</u>		<u>3,86,11,994.90</u>
5 Other Current Liabilities				
Other Liabilities				
Advance from Customer		2,89,800.35		4,56,424.78
TDS Payable		1,90,350.00		1,22,380.00
Salary Payable		9,54,959.00		9,20,507.00
GST Payable		1,60,421.40		1,20,319.34
Incentive and TA Bill payable		<u>3,77,906.00</u>		<u>1,46,311.00</u>
		<u>19,73,436.75</u>		<u>17,65,942.12</u>
6 Short Term Provision				
Audit Fee payable		75,000.00		75,000.00
Sitting Fee payable		-		11,000.00
Provision For Expenses		2,37,069.00		10,26,719.00
GST Audit Fee		50,000.00		-
Provision for Income tax		<u>11,08,179.45</u>		<u>-</u>
Total		<u>14,70,248.45</u>		<u>11,12,719.00</u>
9 Other Non-Current Assets				
Security Deposit				
91 Springboard Business Hub Pvt. Ltd.		1,13,280.00		92,040.00
Skyline Financial Services P Ltd.		10,000.00		10,000.00
National Security Depository Limited		<u>10,000.00</u>		<u>10,000.00</u>
		<u>1,33,280.00</u>		<u>1,12,040.00</u>
10 Inventory				
Finished Goods		<u>5,61,665.00</u>		<u>8,61,770.00</u>
		<u>5,61,665.00</u>		<u>8,61,770.00</u>
11 Trade Receivable				
Considered good(Secured)				
Considered good(Unsecured)				
Which have significant increase in credit risk		2,70,45,022.96		2,00,56,742.70
Credit impaired				
		<u>2,70,45,022.96</u>		<u>2,00,56,742.70</u>
12 CASH AND CASH EQUIVALENTS				
Balance with Bank				
State Bank of India		49,84,988.28		4,69,861.29
Axis Bank Limited		<u>34,629.43</u>		<u>13,24,151.42</u>
Cash on Hand				1,187.00
Total		<u>50,19,617.71</u>		<u>17,95,199.71</u>



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13 SHORT TERM LOANS & ADVANCES

Advance to Employees	7,602.00	
Advance to Vendors	<u>25,474.12</u>	<u>1,93,147.00</u>
	<u>33,076.12</u>	<u>1,93,147.00</u>

14 Other Current Assets

GST Receivable		
Prepaid Expenses	1,31,108.01	1,08,724.00
Other current asset		
TDS Receivable	1,64,584.28	6,705.00
TCS Receivable	853.00	
Insurance paid for Marine Policy	<u>66,268.09</u>	<u>31,713.23</u>
Total	<u>3,62,813.38</u>	<u>1,47,142.23</u>

YASH COMPOSTABLES LIMITED

Notes to financial statements for the year ended 31st March, 2021

Particulars	Year ended 31st March 2021 (Rupees)	Year ended 31st March 2020 (Rupees)
15 Revenue from operations		
Sales of Moulded Products	20,10,66,248.80	23,23,24,387.72
Less:SKU Discount	8,03,238.00	51,82,769.00
Less: Offer Discount	53,34,427.00	1,35,79,293.00
Less: Partner Margin	4,54,691.50	10,76,908.50
Less:target Incentive	<u>2,80,969.00</u>	
	<u>19,41,92,923.30</u>	<u>21,24,85,417.22</u>
16 Other Income		
Commission Received	22,725.00	1,34,091.00
Insurance Recovered		-
Currency Exchange Diff	36,338.32	3,892.24
Interest on Overdue	2,87,388.00	4,76,226.00
Interest received	405.00	-
Profit on Sale of Fixed Assets	2,537.00	1,275.00
Balance Witten-back	<u>144.10</u>	
	<u>3,49,537.42</u>	<u>6,15,484.24</u>
17 Changes in Inventory		
Opening stock		
-Finished Goods	8,61,770.00	3,48,000.00
Closing stock		
-Finished Goods	<u>5,61,665.00</u>	<u>8,61,770.00</u>
	<u>- 3,00,105.00</u>	<u>5,13,770.00</u>
18 Employees Benefit expenses		
Director Remuneration	36,02,377.00	13,90,561.00
Staff welfare	2,08,109.27	1,68,015.00
Salary	93,40,882.00	1,07,06,346.00
Employees Insurance	<u>1,03,480.00</u>	
	<u>1,32,54,848.27</u>	<u>1,22,64,922.00</u>
19 Finance Cost		
Bank Charges	8,314.31	9,371.08
Interest Paid Others	382.00	1,280.00
Interest Against Delayed Payment -YPL	<u>37,42,031.18</u>	<u>35,05,419.00</u>
	<u>37,50,727.49</u>	<u>35,16,070.08</u>

Sheet Sharma

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20 Other Expenses		
Advertisement	50,004.00	63,344.00
Auditor's Remuneration (refer Note No. 20.1)	1,82,300.00	75,000.00
Auditor's Expenses		18,508.00
Balance Written-off	13,590.55	12,039.70
Board Meeting Expenses		64,695.00
Books and Periodicals		3,504.00
Brand & Strategy Charges		2,47,500.00
Business Development Expenses	36,476.00	2,70,228.14
Business Promotion Expenses	2,57,354.00	8,46,844.00
Cash Discount	79,205.00	5,19,194.60
Commission Paid	3,25,694.00	7,110.50
Consultancy Charges	24,35,000.00	30,000.00
Design Service Charges	14,93,040.00	25,52,025.00
Fair and Exhibition		2,39,577.00
Fee & Charges	26,883.00	22,069.48
Freight on Sale	37,31,757.45	9,40,773.00
Import Charges	1,71,696.42	
Incentives	13,01,660.00	8,93,794.00
Insurance on Purchase	949.18	192.97
Internship	10,000.00	
Legal Expenses		3,600.00
Office Expenses		12,000.00
Orientation & Partners Meet	1,60,478.00	5,36,617.00
Rent, Rates & Taxes Charges	4,59,512.86	8,13,329.38
Repair & Maintenance	10,312.00	5,145.00
Packing Charges		6,66,021.62
Postage and Courier	2,47,120.22	3,12,469.68
Printing and Stationery	32,590.00	59,585.00
Prior Period Expenses	10,288.56	3,32,862.00
Product Development Expenses	6,58,922.40	-
Public Relation Expenses		3,00,385.00
Recruitment Charges		2,69,988.00
Misc Expenses	3,371.58	3,816.00
Round Off	5.45	42.00
Sampling Expenses	94,446.62	21,954.42
Sitting Fee		1,20,000.00
Digital Advertisement Social Media Charges		24,06,273.83
Software Development Charges-Written-off	9,10,404.56	-
Software License fee & Subscription	41,330.37	2,23,429.00
Telephone Expenses	27,525.01	21,773.82
Training & Development Exp.	33,300.00	
Travelling expenses	10,48,507.48	27,91,860.05
Total	1,38,53,924.71	1,57,07,951.19

Sheet Name

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20.1 Payment to auditor

Statutory Audit Fees	75,000.00	75,000.00
GST Audit Fees	1,00,000.00	
Certification work	7,500.00	
Out of Pocket Expenses		18,508.00
Total	<u>1,82,500.00</u>	<u>93,508.00</u>

21 Earnings per share (EPS)

Profit/(Loss) after tax	54,56,327.16	(17,14,149.82)
Number of equity shares for the purpose of calculation of Basic & Diluted EPS	50,000	50,000
Nominal value of equity shares (Rs.)	10.00	10.00
EPS- Basic and diluted (Rs.)	109.13	(34.28)

22 a) CIF Value of Import

a) CIF Value of Import	6,37,339	NIL
b) Expenditure in foreign currency	NIL	NIL
c) Remittance in Foreign Currency on account of Dividend	NIL	NIL
d) Earning in Foreign Exchange- FOB Value of Export	NIL	NIL

23 The related party disclosure in accordance with AS 18 'Related Party Disclosures', is given below:

Particulars		<u>Amount (Rupees)</u>
Key Managerial Personnel and their relatives (Remuneration)		
Mr Anuj Kumar Malto, Director (Key Management Personnel)		13,90,561.00
Mr. Sumant Pai, Director (Key Management Personnel)		5,15,561.00
Mr. Amit Sharma, Executive Director (Key Management Personnel)	36,02,377.00	
Enterprise where the majority shareholder has substantial interest: (Yash Pakka Limited-Transactions)		
Purchase (Net of Discount/Incentives)		17,92,09,800.00
Rent Paid	15,32,44,390.00	24,000.00
Interest on Delayed Payment	24,000.00	35,05,419.00
Commission on Export Sale	37,42,031.18	1,34,091.00
Sale of Moulded Products		67,440.00
Product Development and Other Expenses	7,40,419.94	
(Yash Pakka Limited-Balances)		
Balance on Purchase (Cr. Balance)	3,96,08,018.19	3,83,24,067.22
Balance on Reimbursement of expenses (Dr. Balance)		
24 Capital and other commitments		
a. Estimated value of contracts remaining to be executed on capital account (net of advances)	NIL	NIL
b. Other Commitments	NIL	NIL
25 Contingent liabilities		
Claim against the company not acknowledged as debt	NIL	NIL

26 Disclosure in terms of AS-29

There is no Contingent Liabilities as disclosed in Note no. 25 above as such no provision is required to be made. No provision was outstanding as at the beginning and at the end of the period.



Amit Sharma

Sumant

- 27 Compliance of accounting standards has been made to the extent applicable to the company on the basis of transactions or operations of the company during the year.
- 28 In the opinion of the Board and to the best of their knowledge and belief, the provision for all known liabilities is adequate and not in excess of amount considered as reasonably necessary.
- 29 The company has requested confirmation from Suppliers regarding their registration (filling of Memorandum) under the Micro, Small and Medium Enterprises Development Act, 2006 (the MSMED Act). According to the information available with the company, the following disclosures has been made in respect of dues to Micro and Small Enterprises:

<u>Particulars</u>			
(a) Principal amount and interest due there on remaining unpaid to any supplier at the end of the year			
Principal Amount			
Higa Digital Pvt. Ltd.	NIL	178200	
-outstanding due	NIL	NIL	
-outstanding overdue	NIL	NIL	
Interest due on above			
(b) Amount of interest paid by the company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the year - NIL			
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act - NIL			
(d) the amount of interest accrued and remaining unpaid at the end of the year - NIL			
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act - NIL			

30 Deferred Tax assets			
<i>on account of</i>			
Business Loss	26,01,447.42		45,50,096.42
Mat Credit	10,17,144.98		
Total deferred tax assets		36,18,592.40	45,50,096.42
Deferred Tax liability			
<i>on account of</i>			
Other timing Differences	13,436		14,642.91
Total deferred tax liability		13,436.11	14,642.91
Net Deferred Tax asset		36,05,156.29	45,35,453.51

- 31 Name of the company has been changed from Yash Ecoenergy Limited to Yash Compostables Limited vide certificate of incorporation pursuant to change of name dated July 03, 2018 issued by the Registrar of Companies (ROC) Kanpur.
- 32 The Board has considered and approved the proposal of merger by absorption of the company with Yash Pakka Limited (CIN L24231UP1981PLC005294) in its meeting held on 6th May, 2020.
- 33 Figures for the previous year figures have been reclassified / regrouped wherever required.

As per our report of even date
For Rajeev Prem & Associates
Chartered Accountants

Rajeev Kapoor

Rajeev Kapoor
Partner
M. No. 077827

Place: KANPUR
Dated: 14.08.2021



For and on behalf of the Board of Directors

Amit Sharma

Amit Sharma
Executive Director
DIN: 07587504

Sumant Pai

Sumant Pai
Director
DIN: 08405547

YASH COMPOSTABLES LIMITED :-
Notes to financial statements for the year ended 31 March 2021

7 Property Plant and Equipment
As per Companies Act 2013

(Amount in Rupees)

S. No.	Description of Assets	Useful Life (Y)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
			As at 31.03.2020	Additions	Sales/ discarded	As at 31.03.2021	Upto 31.03.2020	For the year upto 31.03.2021	Deduction/ Adjustment	Upto 31.03.2021	As at 31.03.2021	As at 31.03.2020
	Tangible											
A	Office Equipment (19%)	5	97,595.00	22,133.05	8,874	1,10,854.05	18,714	21,705.97	2,537	37,882.92	72,971.13	78,881
B	Computer Hardware (31.67%)	3	4,25,911.90	4,15,254.25	-	8,41,166.15	1,44,843	1,70,196.04	-	3,15,039.35	5,26,126.80	2,81,069
C	Furniture & Fixture	10	14,750	-	-	14,750.00	7,887	665.00	-	8,551.64	6,198.36	6,863
D	Sealing Machine	15	18,000	-	-	18,000.00	668	1,139.40	-	1,807.43	16,192.57	17,332
	Sub total		5,56,256.90	4,37,387.30	8,874.00	9,84,770.20	1,72,111.93	1,93,706.41	2,537.00	3,63,281.34	6,21,488.86	3,84,144.97
	Intangible											
C	CWIP		9,10,405			9,10,405					0.00	9,10,405
	Total		14,66,661	4,37,387.30	9,19,279	9,84,770.20	1,72,112	1,93,706.41	2,537	3,63,281.34	6,21,488.86	12,94,550

As per Income Tax

Annexure A

Depreciation as per I. Tax Rules for the Period from 01.04.2020 to 31.03.2021

Particulars	Rate	WDV as on		Addition	Sale	Total	Depreciation For the year	WDV as on 31-Mar-21
		1-Apr-20	<180 days					
1 Office Equipment	15%	80,279	22,133	0	8,874	93,538	12,370.74	81,167
2 Computers	40%	2,18,622	0	4,15,254	0	6,33,876	1,70,499.65	4,63,377
3 Furniture and Fixture	10%	13,625	0	0	0	13,625	1,362.50	12,263
4 Sealing Machine	15%	15,300	0	0	0	15,300	2,295.00	13,005
Total		3,27,826	0	4,37,387	8,874	7,56,339	1,86,528	5,69,812



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YASH COMPOSTABLES LIMITED :-

Notes to financial statements for the year ended 31 March 2021

Note 8

Deferred Tax as on 31.03.2021

	As per Books	As per I. Tax	Diff.	Tax Rate	Assets	Deferred Tax Liability
WDV of Depreciable Fixed Asset	6,21,489	5,69,812	51,677	26.00%	-	13,436.11
Already Provided in the Books						14,642.91
Provision for Deferred Tax to be done						-1,206.80

Carry Forward Deferred Tax Liability

13,436.11

	During the year	Diff.	Tax Rate	Assets	Deferred Tax Liability
Carry forward loss	74,94,804	0	26.00%	-	19,48,649.00
Already Provided in the Books					-
Provision for Deferred Tax to be done					-

Carry Forward Deferred Tax Assets

45,50,096.42

26,01,447.42

Net Deferred Tax

Opening Deferred Tax Assets

P & L Effect

Less: Mat Credit

Net Deferred tax liability

25,88,011.31
45,35,453.51
19,47,442.20
-10,17,145

9,30,297

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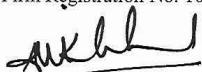
CNK & Associates LLP

Chartered Accountants

Narain Chambers, 5th Floor, M. G. Road, Vile Parle (E), Mumbai - 400 057.
Tel.: + 91 -22-62507600Mistry Bhavan, 3rd Floor, Dinshaw Vachha Rod, Churchgate, Mumbai- 400 020.
Tel.: + 91 22 66230600**LIMITED REVIEW REPORT****To The Board of Directors of Yash Pakka Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Yash Pakka Limited ("the Company") for the quarter ended 30th June 2021 ("The Statement") being submitted by the company pursuant to the requirements of the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 as amended.
2. This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures 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.
4. 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 , prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement.

For CNK & Associates LLP
Chartered Accountants
Firm Registration No. 101961W/W-100036



Himanshu Kishnadwala
Partner
Membership No. 037391
UDIN: 21037391AAAAEO8637



Place: Mumbai
Date: 31st July, 2021



YASH PAKKA LIMITED

Regd. Office : 11nd Floor, 24/57, Birhana Road, Kanpur - 208 001, Uttar Pradesh

Corp. Office : Yash Nagar, Ayodhya - 224135, Uttar Pradesh

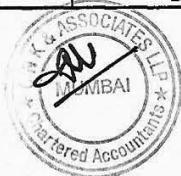
CIN: L24231UP1981PLC005294 | T: +91 5278 208900 /01 | F: +91 5278 258062

E: info@yashpakka.com | Website : www.yashpakka.com

Statement of Unaudited Financial Results for quarter ended 30th June, 2021

(Rs. In lakhs)

Sr No.	Particulars	Unaudited		Audited	
		Quarter ended	Quarter ended	Quarter ended	Year ended
		30.06.2021	30.06.2020	31.03.2021	31.03.2021
		Reviewed	Reviewed	Audited	Audited
1	Income				
	(a) Revenue from Operations	6,060.01	3,216.79	5,886.75	18,365.09
	(b) Other Income	131.78	80.46	338.61	1,132.87
	Total Income	6,191.79	3,297.25	6,225.36	19,497.96
2	Expenses				
	(a) Cost of materials consumed	2,389.80	1,251.81	2,045.52	7,009.69
	(b) Purchase of stock-in-trade	-	2.78	-	3.87
	(c) Changes in inventories of finished goods, work in progress and stock-in-trade	(351.39)	(114.83)	531.74	157.37
	(d) Employee Benefits expenses	708.08	577.76	704.18	2,794.32
	(e) Finance Costs	266.29	289.36	297.59	1,094.53
	(f) Depreciation and Amortisation expense	246.26	238.59	239.47	965.93
	(g) Power and Fuel	696.41	554.87	653.86	2,758.13
	(h) Other expenses	758.34	332.38	886.75	2,421.00
	Total Expenses	4,713.79	3,132.72	5,359.11	17,204.84
3	Profit/ (Loss) before tax [1-2]	1,478.00	164.53	866.25	2,293.12
4	Tax Expense				
	Current	257.32	28.04	157.92	411.50
	Deferred	185.65	21.91	37.33	209.51
5	Profit/ (Loss) for the year [3-4]	1,035.03	114.58	671.00	1,672.11
6	Other Comprehensive income				
	Items that will not be reclassified to profit or loss				
	(i) remeasurements of defined benefit plans	(35.38)	(11.60)	30.02	31.91
	(ii) Income taxes related to items that will not be reclassified to profit or loss	10.30	3.38	(8.74)	(9.29)
	Total Other Comprehensive Income	(25.08)	(8.22)	21.28	22.62
7	Total Comprehensive Income for the year [5+6]	1,009.95	106.36	692.28	1,694.73
8	Paid-up equity share capital (FV per share Rs. 10/- each)	3,524.00	3,524.00	3,524.00	3,524.00
9	Earnings per share (FV per share Rs. 10/- each)				
	(a) Basic (Rs)	2.94	0.33	1.90	4.74
	(b) Diluted (Rs)	2.94	0.33	1.90	4.74



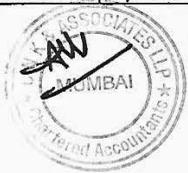
For Yash Pakka Limited

Jagdeep Hira
Managing Director

Segment wise Revenue, Results, Assets and Liabilities					(Rs. In lakhs)
Sr No.	Particulars	Unaudited		Audited	
		Quarter ended	Quarter ended	Quarter ended	Year ended
		30.06.2021	30.06.2020	31.03.2021	31.03.2021
		Reviewed	Reviewed	Audited	Audited
1	Segment Revenue (Sales and Other income)				
	- Paper & Pulp	5,889.73	3,129.09	5,410.56	17,150.84
	- Moulded Products	302.06	168.16	814.80	2,347.12
	Sub-total	6,191.79	3,297.25	6,225.36	19,497.96
	Less: Unallocable Revenue				
	Total Revenue	6,191.79	3,297.25	6,225.36	19,497.96
2	Segment Results				
	Profit before tax from each segment				
	- Paper & Pulp	1,621.58	356.62	771.27	2,187.97
	- Moulded Products	(117.02)	(168.36)	119.78	215.79
	Sub-total	1,504.56	188.26	891.05	2,403.76
	Less:				
	Other un-allocable expenditure	(26.56)	(23.73)	(24.80)	(110.64)
	Add:				
	Other un-allocable income	-	-	-	-
	Profit/ Loss Before Tax	1,478.00	164.53	866.25	2,293.12
3	Segment Assets				
	- Paper & Pulp	23,003.84	21,452.49	21,773.56	21,773.56
	- Moulded Products	3,908.16	4,656.44	4,432.11	4,432.11
	Sub-total	26,912.00	26,108.93	26,205.67	26,205.67
	Add:				
	Un-allocable assets	17.38	-	35.23	35.23
	Total Assets	26,929.38	26,108.93	26,240.90	26,240.90
4	Segment Liabilities				
	- Paper & Pulp	6,311.44	7,295.01	6,739.49	6,739.49
	- Moulded Products	4,918.73	5,658.48	5,050.00	5,050.00
	Sub-total	11,230.17	12,953.49	11,789.49	11,789.49
	Add:				
	Un-allocable liabilities	1,683.94	1,386.07	1,446.09	1,446.09
	Total Liabilities	12,914.11	14,339.56	13,235.58	13,235.58
5	Capital Employed				
	- Paper & Pulp	16,692.41	14,157.48	15,034.07	15,034.07
	- Moulded Products	(1,010.58)	(1,002.04)	(617.89)	(617.89)
	Unallocable assets less liabilities	(1,666.56)	(1,386.07)	(1,410.86)	(1,410.86)
	Capital Employed	14,015.27	11,769.37	13,005.32	13,005.32

Notes:

- The above unaudited financial results have been reviewed by the Audit Committee in its meeting held on 30th July, 2021 and approved by the Board of Directors at their meeting held on 31st July, 2021.
- The above results have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
- The Company has analysed all parameters associated with this risk due to Covid-19 and has assessed that Covid-19 and the business changes thereafter will have no material impact on the going concern of the company.
- The Scheme of merger of Yash Compostables Limited ("YCL") with the Company effective 1st April, 2020 has been approved by the Board of Directors in their meeting on 20th June, 2020. The same is subject to approval by Shareholders in the General Meeting and subsequent regulatory approvals. In view of the pending approvals from various regulatory authorities, no effect of YCL financials are given in the above results.
- Company has incorporate their 100% Subsidiary in United States of America by the name Yash Pakka Inc.
- The results of the company are available on the company's website www.yashpakka.com and on BSE website at www.bseindia.com.





FOR YASH PAKKA LIMITED



Jagdeep Hira
Managing Director
DIN: 07639849
Place : Ayodhya
Date: 31st July, 2021

Valuation Opinion

**Recommendation of Share Exchange Ratio
For Amalgamation of Yash Compostables Limited with Yash Pakka Limited
Date: 18th June, 2020**

The Board of Directors

M/s. Yash Pakka Limited
2nd Floor, 24/57, Birhana Road,
Kanpur – 208001, Uttar Pradesh

M/s. Yash Compostables Limited

Fiat No.202, 3A/172 Azad Nagar,
Kanpur - 208002, Uttar Pradesh.

Date: 18th June, 2020

Dear Sir,

I, Sudha Bhushan, have been appointed by the Board of Directors on 19th May 2020 (Transferree Company) (“Appointment Date”) for recommendation of share entitlement ratio for the proposed merger of **M/s. Yash Compostables Limited (“Transferor Company” or “YCL”)** with **M/s. Yash Pakka Limited (“the Transferee Company” or “YPL”)** as on 1st June, 2020 (“Valuation Date”) (“Proposed Transaction”) pursuant to a Composite Scheme of Arrangement under Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (“**Scheme**”). The Appointed date for the Scheme is 1st June, 2020.

I am a Registered Valuer registered for the asset class - Securities or Financial Assets with the Insolvency and Bankruptcy Board of India pursuant to which I am recognized to issue this opinion / report.

All information in this report with respect to the valuation subject has been obtained by me from the various officials of Transferor and the Transferee company. I am responsible only to the Companies engaging me and nobody else. We understand that the contents of my report have been reviewed in detail by the Management and that you agree with the contents of this report (especially fact based).

I do not have any conflict of interest in issuing this opinion.

Thanking You,

Yours Sincerely,



Sudha Bhushan

Registered Valuer (Securities or Financial Assets)

Registration No: IBB/RV/07/2019/12234

Date: 18th June, 2020 || Place: Mumbai

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Background

- **Yash Compostables Limited**

- Yash Compostables Limited was incorporated as a public limited Company under the Companies Act, 2013 on February 27, 2014 and having its registered office at Flat No.202, 3A/172 Azad Nagar, Kanpur, Uttar Pradesh-208002.
- The Company is primarily engaged in the business of trading of food containers, bowls, plates from the agricultural residues.
- Capital structure of the Company as on 31st May, 2020 is as follows:

Share Capital	Amount
Authorized Share Capital	
50,000 Equity shares of Rs. 10/- each	5,00,000
TOTAL	5,00,000
Issued, subscribed and paid-up Share Capital	
50,000 Equity shares of Rs. 10/- each Fully Paid	5,00,000
TOTAL	5,00,000

- **Yash Pakka Limited**

- Yash Pakka Limited was incorporated as a public limited company on May 5, 1981 under the Companies Act, 1956 and having registered office at 2nd Floor, 24/57, Birhana Road, Kanpur – 208001, Uttar Pradesh.
- The Company is primarily engaged in the business of manufacturing of pulp, kraft paper, poster paper, pith pallets, eggs tray and Sustainable packaging materials mainly serves to Food packaging companies.
- Capital structure as on 31st May, 2020 is as follows:

Share Capital	Amount
Authorized Share Capital	
5,60,00,000 Equity shares of Rs. 10/- each	56,00,00,000
4,00,00,000 Preference shares of Rs. 100/- each	4,00,00,000
TOTAL	60,00,00,000
Issued, subscribed and paid-up Share Capital	
3,52,40,000 Equity Shares of Rs. 10/- each Fully Paid	35,24,00,000
TOTAL	35,24,00,000

- **Proposed Transaction**
 - We understand that the management of the Companies are contemplating a Scheme of Amalgamation ("Scheme") whereby:
 - The Scheme provides for the merger of YCL (Transferor Company) with YPL (Transferee Company)
 - As a consideration for the Proposed Transaction, shares of YPL would be issued to the shareholders of YCL.
 - The scope of our services is to conduct valuation in accordance with generally accepted valuation standards for the purpose of Proposed Transaction.

Salient Features of the Scheme

- The Scheme of Amalgamation ("Scheme") is presented under Sections 230 to 232, other applicable provisions of the Companies Act, 2013 & the Rules framed thereunder and in compliance with the conditions relating to "Amalgamation" as specified u/s 2(1B) of the Income Tax Act, 1961.
- With effect from the Appointed Date, the entire Undertakings of the Transferor Company including the assets and liabilities as on the Appointed Date, shall pursuant to Section 232 and other applicable provisions of the Act, without any further act, instrument or deed, be and shall stand transferred to and vested in and/or deemed to have been transferred to and vested in the Transferee Company as a going concern.
- With effect from the Appointed Date, all the debts, unsecured debts, liabilities, duties and obligations of every kind, nature and description of the Transferor Company shall also under the applicable provisions of the Act, without any further act or deed be transferred to or be deemed to be transferred to the Transferee Company.

Information Sources

For the purposes of undertaking this Valuation exercise, we have relied on the following sources of information and documents:

- Audited Financial statements of YCL for 31st March, 2019 & Un Audited Certified Financial Statement for 31st March 2020;
- Audited Financial statement of YPL 31st March, 2019. Unaudited Financial results alongwith Limited review results up to Q3 of 2019-20 of Yash Pakka Limited
- Projected financial statements of YCL FY 2020-21, FY 2021-22 & FY 2022-23 of YCL
- Draft Scheme of Amalgamation;
- Write up on brief overview of the Transferor Company, Transferee Company and its operations; and
- Discussion with management of the Companies regarding its business operations.

Applicable Regulations & Valuation Methodologies

- Section 247 of the Companies Act, 2013 prescribes that “where a valuation is required to be made in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets (herein referred to as the assets) or net worth of a company or its liabilities under the provision of this Act, it shall be valued by person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be prescribed and appointed by the audit committee or in its absence by the Board of Directors of that company”.
 - Sub-section 2 of Section 247 further states that “the valuer appointed under sub-section (1) shall,
 - make an impartial, true and fair valuation of any assets which may be required to be valued;
 - exercise due diligence while performing the functions as valuer;
 - make the valuation in accordance with such rules as may be prescribed; and
 - not undertake valuation of any assets in which he has a direct or indirect interest or becomes so interested at any time during a period of three years prior to his appointment as valuer or three years after the valuation of assets was conducted by him.
 - Further, the Ministry of Corporate Affairs (MCA) have prescribed Companies (Registered Valuers and Valuation) Rules, 2017 (“Valuation Rules”) which prescribe the conditions of registration and conduct of valuation.
 - Rule 8 of the Valuation Rules, which deals with the conduct of valuations, prescribe that the registered valuer shall, while conducting a valuation, comply with the valuation standards as notified or modified under rule 18. Provided that until the valuation standards are notified or modified by the Central Government, a valuer shall make valuations as per:
 - Internationally accepted valuation standards;
 - Valuation standards adopted by any registered valuers’ organization.
 - Since the Central Government has yet not notified any valuation standards, I have carried out the valuation on the basis of International Valuation Standards 2017 (“IVS”)1 along with and Indian Valuation Standards 2018 issued by the Institute of Chartered Accountants of India, a registered valuer’s organization, to the extent applicable.
- a) Valuation Bases**
- ICAI Valuation standard 102 defines the Valuation Bases and prescribes the corresponding fundamental assumptions on which valuation will be based and provides the premises of values.
-

- There are three valuation bases which are required to be chosen by the Valuer considering the terms and purpose of the valuation engagement.
 - **Fair value:** Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.
 - **Participant specific value:** Participant specific value is the estimated value of an asset or liability considering specific advantages or disadvantages of either of the owner or identified acquirer or identified participants.
 - **Liquidation Value:** Liquidation value is the amount that will be realised on sale of an asset or a group of assets when an actual/hypothetical termination of the business is contemplated/assumed.

b) Valuation Methodologies

Valuation is a looking forward exercise. There are three broad approach through which the valuation can be done. The approach depends on the method that is being followed to value the asset. The approaches are divided into three types being :

1. The Asset based valuation
2. Earnings based valuation
3. Market based valuation

- **Market Approach**

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

- **Market Price Method**

Under this method, the market price of an equity share of the company as quoted on a recognized stock exchange is normally considered as the fair value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded. The market value generally reflects the investor's perception about the true worth of the company.

- **Comparable Companies Multiples (CCM) Method**

The value is determined on the basis of the multiples derived from valuations of comparable companies, as manifest in the stock market valuations of listed companies. This valuation is based on principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

- **Comparable Transactions Multiples (CTM) Method**

Under CTM Method, the value is determined on the basis of multiples derived from valuations of similar transactions in the industry. Relevant multiples need to be chosen carefully and adjusted for differences between circumstances.

- **Income Approach**

- **Discounted Cash flow Approach (“DCF”)**

- DCF Approach is widely used for valuation under ‘Going Concern’ basis. It focuses on the income generated by the company in the past as well as its future earning capability.
 - Under the DCF method, the business is valued by discounting its free cash flows for the explicit forecast period and the perpetuity value thereafter. The free cash flows in the explicit period and those in perpetuity are discounted by Weighted Average Cost of Capital (WACC). The WACC, based on an optimal vis-à-vis actual capital structure, is an appropriate rate of discount to calculate the present value of future cash flows as it considers debt-equity risk by incorporating debt-equity ratio of the firm.
 - The perpetuity (terminal value) is calculated based on the business potential for further growth beyond the explicit forecast period. The “Constant Growth Model” is applied, which implies an expected constant level of growth for perpetuity in the cash flows over the last year of forecast period.
 - The discounting factor reflects not only the time value of money, but also the risk associated with the future business operations. The Enterprise Value (aggregate of present value of explicit period and terminal period cash flows) so derived, is further reduced by value of debt, if any, (net of cash and cash equivalents) to arrive at value to the owners of business.

- **Cost Approach**

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

- **Replacement Cost Method**

Replacement Cost Method, also known as ‘Depreciated Replacement Cost Method’ involves valuing an asset based on the cost that a market participant shall have to incur to recreate an asset with substantially the same utility (comparable utility) as that of the asset to be valued, adjusted for obsolescence.

- **Reproduction Cost Method**

Reproduction Cost Method involves valuing an asset based on the cost that a market participant shall have to incur to recreate a replica of the asset to be valued, adjusted for obsolescence.

Valuation Analysis and Conclusion

The valuation exercise involves selecting a method suitable for the purpose of valuation, by exercise of judgment, based on the facts and circumstances as applicable to the business of the Companies to be valued. By its very nature, valuation work cannot be regarded as an exact science and given the same set of facts and using the same assumptions, expert opinions may differ owing to the number of subjective decisions that have to be made. There can therefore, be no standard formulae to establish an indisputable value, although certain appropriate formulae are useful in establishing reasonableness.

As mentioned earlier, the present valuation exercise is being undertaken in order to derive the Share Entitlement Ratio for the Proposed Transaction.

— **In the case on hand, the engagement includes valuation of YPL which is a listed company on a Recognized Stock Exchange in India, hence we have adopted the 'Market Price Method under the Market Approach'.**

- For Valuation of Equity shares of YPL, we have considered average market price of last 26 weeks preceding the date of Valuation by calculating the weekly average of High Price & Low Price for each traded week.
- As per this method, the fair value of YPL is 121,50,61,646 which is Rs.34.48/- per equity share

— **For the purpose of valuation of YCL,**

- We have used the Discounted Cash Flow method for valuation of YCL.
- As mentioned above, The Income approach derives an estimation of value based on the sum of present value of expected benefits estimated to be derived from assets or business. Economic benefits may be in the nature of dividends and capital appreciation. Valuation is a forward looking exercise. An asset is mostly purchased for the value it may be able to derive in the future. Income approach is the most scientific approach as it considers the time value of money and the cash outflows including working capital & capital expenditure that are required for the increased levels of business forecasted. Also, YCL being an unlisted company the comparable data is not readily available.

As per DCF method, value of YCL is arrived at **Rs.11,83,22,614/-**. And this converted into per equity share of YCL at **Rs.2,366.45/-**

Based on the forgoing, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we have arrived at the values per share as follows:

Company	Amount (in Rs.)
Yash Compostables Limited ("Transferor Company" or "YCL")	2366.45
Yash Pakka Limited ("the Transferee Company" or "YPL")	34.48

Based on the above, and on the consideration of all the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Share Exchange Ratio

- **68.63 equity shares of face value Rs.10/- each of YPL for every 1 equity shares held in YCL.**

Limiting Conditions

- Valuation analysis and results are specific to the purpose of valuation mentioned in this report as per agreed terms of our engagement. It may not be valid for any other purpose or as at any other date. Also, it may not be valid if done on behalf of any other entity.
- The determination of Share Entitlement Ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on exercise of individual judgment. While, we have provided our recommendation of the Share Entitlement Ratio based on the information available to us, others may have a different opinion. The final responsibility for the determination of the Share Entitlement Ratio is with the Board of Directors who should take into account other factors and input of other advisors.
- This Report does not look into the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction or other alternatives or whether or not such alternatives could be achieved or are available.
- No investigation / inspection of the Companies claim to title of assets has been made for the purpose of this Report and the Companies claim to such rights has been assumed to be valid.
- We owe responsibility to only the Client that has retained us and nobody else. We do not accept any liability to any third party in relation to the issue of this valuation report.
- We have relied on information as provided to us. We assume no responsibility for the accuracy and completeness of information and will not be held liable for it under any circumstances. We have not conducted an audit, or due diligence, or reviewed / validated the projections / financial data provided by the Management.
- We assume that the Management has brought to our attention all material transactions, events or any other factors having an impact on the valuations.
- Our analysis is based on the market conditions and the regulatory environment that currently exists. However, changes to the same in the future could impact the company and the industry it operates in, which may impact our valuation analysis.
- Neither we nor any of our affiliates are responsible for updating this report because of events or transactions occurring subsequent to the date of this report.
- The valuation analysis and result relies upon the information substantively contained herein and which inter alia has been provided by you.
- It is our understanding that the results of our valuation will be used by Management for Proposed Transaction only. Our valuation report cannot be used for any other purpose.

Annexures

Fair Valuation of Equity Share of Yash Pakka Limited

Annexure-I

Relevant Date: 19th June, 2020.

Board Meeting date is 20th June, 2020. Since it's a weekend, 19th June, 2020 is considered as relevant date.

Weeks	From	To	Volume Weighted Average Price High (WAP)	Volume Weighted Average Price Low (WAP)	Average Price
1	20-Dec-19	26-Dec-19	40.68	39.93	40.31
2	27-Dec-19	2-Jan-20	42.64	40.35	41.50
3	3-Jan-20	9-Jan-20	42.65	40.65	41.65
4	10-Jan-20	16-Jan-20	42.75	41.96	42.35
5	17-Jan-20	23-Jan-20	45.40	43.46	44.43
6	24-Jan-20	30-Jan-20	44.85	43.50	44.18
7	31-Jan-20	6-Feb-20	42.94	40.64	41.79
8	7-Feb-20	13-Feb-20	44.18	40.09	42.13
9	14-Feb-20	20-Feb-20	39.59	37.72	38.65
10	21-Feb-20	27-Feb-20	37.85	35.99	36.92
11	28-Feb-20	5-Mar-20	36.19	31.85	34.02
12	6-Mar-20	12-Mar-20	29.95	25.73	27.84
13	13-Mar-20	19-Mar-20	23.42	21.38	22.40
14	20-Mar-20	26-Mar-20	22.61	17.96	20.28
15	27-Mar-20	2-Apr-20	21.90	21.16	21.53
16	3-Apr-20	9-Apr-20	26.75	20.37	23.56
17	10-Apr-20	16-Apr-20	28.77	27.28	28.03

18	17-Apr-20	23-Apr-20	35.38	30.03	32.71
19	24-Apr-20	30-Apr-20	37.33	35.05	36.19
20	1-May-20	7-May-20	32.10	29.77	30.93
21	8-May-20	14-May-20	34.35	31.42	32.89
22	15-May-20	21-May-20	37.27	33.74	35.51
23	22-May-20	28-May-20	35.76	34.16	34.96
24	29-May-20	4-Jun-20	36.37	35.27	35.82
25	5-Jun-20	11-Jun-20	36.10	32.33	34.21
26	12-Jun-20	18-Jun-20	32.21	31.15	31.68
		Average Price			34.48

Sr. No	Approach-Method	Adopted or Not	Reason
1	Income Approach-Discounted Cash Flow Method	No	Since YPL is a listed entity, Market price is the best approach for determination of fair value of equity.
2	Market Approach-Market Price Method	Yes	YPL is a listed entity on a recognized stock exchange & hence the Market Price determined above represents fair value of its equity share.
3	Net Asset Value Method	No	Since the best Method for YPL is Market Price method, we have not considered NAV Approach

Fair Valuation of Equity Share of Yash Compostables Limited
Annexure-II

Income Statement					
Particulars (INR in millions)	FY2019	FY2020	FY2021(P)	FY2022(P)	FY2023 (P)
	Historical		Projected		
<u>Revenue from operations</u>	112.4	212.5	344.0	516.0	670.7
Sale of tableware goods	112.4	212.5	344.0	516.0	670.7
Total Revenue	112.4	212.5	344.0	516.0	670.7
Expenses	127.0	211.2	329.8	501.2	645.3
Purchases	103.6	184.3	298.3	443.7	576.8
Change in Inventory	-0.3	-0.5	-15.5	-8.0	-7.3
Employee Cost	8.3	12.2	32.5	46.5	51.2
S, G & A	15.4	15.2	14.5	18.9	24.6
EBIDTA	-14.5	1.3	14.2	14.8	25.4
Less: Depreciation and amortization expense	0.0	0.1	0.3	0.5	0.8
Add: Other income	0.3	0.6	-	-	-
Less: Finance Cost	0.8	3.5	2.4	3.6	3.6
Profit before tax	-15.0	-1.7	11.5	10.6	21.0
Less: Tax	-3.9	-0.4	2.6	2.4	4.8
Current tax	-	-	2.6	2.4	4.8
Deferred tax	-3.9	-0.4	-	-	-
Taxes of earlier year	-	-	-	-	-
Tax Rate	-	-	-	-	-
Profit After Tax	-11.1	-1.3	8.8	8.2	16.2

Balance Sheet					
Particulars (INR in millions)	Historical			Projections	
	FY2019	FY2020(P)	FY2021(P)	FY2022(P)	FY2023(P)
Shareholders' funds					
Share capital	-10.8	-12.1	-3.2	4.9	21.1
Existing Capital	0.5	0.5	0.5	0.5	0.5
New Equity Infusion	0.5	0.5	0.5	0.5	0.5
Conversion of debt into equity	-	-	-	-	-
<u>Reserves and surplus</u>	-	-	-	-	-
Profit & Loss	-11.3	-12.6	-3.7	4.4	20.6
Securities Premium	-11.3	-12.6	-3.7	4.4	20.6
	-	-	-	-	-
Borrowings					
Long-term borrowings	-	-	24.2	36.2	36.2
Short Term Borrowing	-	-	24.2	36.2	36.2
	-	-	-	-	-
Current Liabilities	40.8	42.2	43.2	64.4	82.8
Payables	36.5	38.0	36.8	54.7	71.1
Short Term Provision	0.6	1.1	2.8	3.9	4.3
Other Current Liabilities	3.7	3.1	3.6	5.8	7.4
Total Liabilities	30.0	30.2	64.2	105.6	140.2
ASSETS					
Non-current assets	4.6	5.8	6.4	6.8	7.0

Cash Flow Statement						
Particulars (INR in millions)	Historical			Projected		
	FY2019	FY2020(P)	FY2021(P)	FY2022(P)	FY2023(P)	
Net Income	-11.1	-1.3	8.8	8.2	16.2	
Add: Depreciation	0.0	0.1	0.3	0.5	0.8	
(Increase) / Decrease in other current assets	-1.3	0.9	-	-	-	
(Increase) / Decrease in inventory	-0.3	-0.5	-15.5	-8.0	-7.3	
(Increase) / Decrease in receivables	-21.5	1.4	-12.9	-16.5	-14.8	
Total Assets	30.0	30.2	64.2	105.6	140.2	
Gross Block	0.3	0.6	1.5	2.4	3.3	
Less: Accumulated Depreciation	0.0	0.2	0.4	1.0	1.8	
Net Block	0.3	0.4	1.0	1.4	1.6	
Intangibles Assets under development		0.4	0.9	0.9	0.9	
Other Non-Current Asset -Sec.deposit	0.1		0.1	0.1	0.1	
Deferred Tax Assets (Net)			4.4	4.4	4.4	
Current Assets	25.4	24.4	57.8	98.8	133.3	
Inventories	0.3	0.9	16.3	24.3	31.6	
Receivables	21.5	20.1	33.0	49.5	64.3	
Cash & Cash Equivalents	2.3	3.0	8.0	24.6	36.9	
Short-term Loan and Advances	0.5	0.3	0.3	0.3	0.3	
Other Current Assets	0.8	0.1	0.1	0.1	0.1	

Increase / (Decrease) in payables	36.5	1.5	-1.2	17.9	16.4
Increase / (Decrease) in Other Current liability	4.3	-0.1	2.2	3.3	2.0
Total Cash flow from operations after WC	6.6	2.1	-18.3	5.5	13.2
Add: New equity capital infusion	-	-	-	-	-
Add: Change in borrowings	-	-	24.2	12.0	-
Total Cash flow from financing	-	-	24.2	12.0	-
Total Sources	6.6	2.1	5.9	17.5	13.2
(Increase) / Decrease in non-current assets	4.0	0.5	-	-	-
Less: Capital expenditure	0.7	0.8	0.9	0.9	0.9
Total Uses	4.7	1.3	0.9	0.9	0.9
Net increase in cash and cash equivalents	1.9	0.8	5.0	16.6	12.3
Cash and cash equivalents at beginning of period	0.4	2.3	3.0	8.0	24.6
Cash and cash equivalents at end of period	2.3	3.0	8.0	24.6	36.9

Discounted Cash Flow Valuation

Assumptions:	Variable	Comments
Risk Free Rate	6.50%	Average of India 10-Year G-sec from 1st June 2019 to 31st May 2020.
Beta	1.0	Assumed as risk profile to be higher than market risk
Market Return	13.9%	Measured by price return on Nifty 100 since its inception.
Terminal Growth Rate	4.0%	

	13.9%	CAPM---->Re=Rf+B(Rm-Rf)	
Cost of Equity			
Particulars/Period (INR in million)	Mar-21	Mar-22	Mar-23
Profit after Tax	8.83	8.17	16.21
Add: Depreciation	0.28	0.54	0.79
Add: Change in Working Capital	(27.45)	(3.20)	(3.75)
Operating cash Flow	(18.35)	5.51	13.25
Less: Capital Expenditure	0.93	0.93	0.93
Less: Repayment of Borrowings	(24.24)	(12.00)	-
Free Cash Flow to the Equity (FCFE)	4.97	16.58	12.32
Time Period / Year Fraction	0.83	1.83	2.83
Discounting Factor @ Cost of equity (Ke)	0.90	0.79	0.69
Discounted Cash Flow	4.46	13.06	8.52
Sum of Discounted Cash Flow (A)	26.03		
Terminal Value	129.14		
Present Value of Terminal Value (B)	89.27		
Enterprise Value	115.30		
Add: Cash	3.02		
Equity Value	118.32		
Equity shares 0/s (of FV INR 10)	0.05		
Per share price (INR)	2,366.45		
<i>As on 1st June, 2020</i>			
Sr. No	Approach-Method	Adopted or Not	Reason

1	Income Approach-Discouted Cash Flow Method	Yes	YCL is an unlisted entity & continuing its operation on going concern basis, therefore Management has forecasted company's future earning capability. Based on this, we have followed DCF Method which gives more appropriate Fair Value of equity.
2	Market Approach-Market Price Method	No	YCL being an unlisted Company, Market Price Approach is not applicable to it.
3	Net Asset Value Method	No	Since YCL don't have any short term/long term borrowings in its capital base, we have not considered NAV Method.



June 19, 2020

MCAPL: MUM: 2020-21: 0003

To,
The Board of Directors
Yash Pakka Limited
24/57, Birhana Road,
Kanpur-208 001
Uttar Pradesh.

Sub : Fairness Opinion Certificate on the Valuation of shares in the matter of proposed merger of Yash composable Limited (hereinafter referred to as "YCL") with Yash Pakka Limited (hereinafter referred to as "YPL")

Dear Sir,

The Board of Directors of Yash Pakka Limited (hereinafter referred to as "YPL") has appointed us on May 21, 2020 and has requested us to issue Fairness Opinion Certificate in connection with the valuation exercise being carried out by Ms. Sudha Bhushan, Registered Valuer (Securities & Financial Assets) having Registration Number IBBI/RV/07/2019/12234 (hereinafter referred to as "the Valuer").

1. PURPOSE OF VALUATION

- 1.1 The Board of Directors of both the Companies have considered proposal for the Merger of YCL ("Transferor") with YPL ("Transferee").
- 1.2 In this regard, Ms. Sudha Bhushan, Registered Valuer (Securities & Financial Assets) having Registration Number IBBI/RV/07/2019/12234 (hereinafter referred to as "the Valuer") was appointed to carry out the valuation with a view to recommend an exchange ratio of shares in the event of Merger of YCL with YPL and to determine the Equity Shares to be issued by YPL to the Shareholders of YCL.
- 1.3 The information contained herein and our certificate is confidential. It is intended only for the sole use of captioned purpose including for the purpose of obtaining requisite approvals as per SEBI (LODR) Regulations, 2015.

2. SOURCE OF INFORMATION

For the purpose of the valuation, we have relied upon the following source of information provided by the management of the YCL and YPL.

- (i) Memorandum and Articles of Association of YPL & YCL;
- (ii) Audited Annual Accounts for FY 2018-2019 for YPL and YCL;
- (iii) Unaudited but Certified Annual Accounts for FY 2019-2020 for YCL;
- (iv) Certified Limited Review Report on Unaudited Financials for the period ended December 31, 2019 for YPL;
- (v) Certified Projected Financials for FY 2020-2021, FY 2021-2022 and FY 2022-2023 for YCL;



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MARK CORPORATE ADVISORS PVT. LTD.

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(vi) Copy of Valuation Report dated June 18, 2020 issued by Ms. Sudha Bhushan, Registered Valuer (Securities & Financial Assets) having Registration Number IBBI/RV/07/2019/12234 (hereinafter referred to as "the Valuer");

(vii) Draft Scheme of Arrangement;

(viii) Brief overview and the operations of the Companies; and

(ix) Discussion with the management of the Companies regarding its business.

3. EXCLUSIONS AND LIMITATIONS

3.1 Conclusions reached by us are dependent on the information provided to us being complete & accurate in all material respects. Our scope of work does not enable us to accept responsibility for the accuracy and completeness of the information provided to us. The scope of our assignment did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any financial or analytical information used during the course of our work. We have not performed any audit, review or examinations of any of the historical or prospective information used and, therefore, do not express any opinion with regard to the same. In addition, we do not take any responsibility for any changes in the information used for any reason, which may occur subsequent to the date of our certificate.

3.2 This certificate is prepared with a limited purpose/scope as identified/stated earlier and will be confidential being for use only to whom it is issued. It must not be copied, disclosed or circulated in any correspondence or discussions with any person, except to whom it is issued and to those who are involved in this transaction and for various approvals for this transaction.

4. VALUATION METHODOLOGY ADOPTED BY THE VALUER

4.1 In arriving at the exchange ratio of the equity shares for the merger of YCL with YPL. The Valuer has determined the values independently but on a relative basis. She has considered the methods relevant and applicable, which included:

i) Discounted Cash Flow (DCF) Method:

DCF methodology expresses the present value of a business as a function of its future cash earnings capacity. This methodology works on the premise that the value of a business is measured in terms of future cash flow streams, discounted to the present time at an appropriate discount rate. It recognizes that money has a time value by discounting future cash flows at an appropriate discount factor. This method is used to determine the present value of a business on a going concern assumption. The DCF methodology depends on the projection of the future cash flows and the selection of an appropriate discount factor.

When valuing a business on a DCF basis, the objective is to determine a net present value of the cash flows ("CF") arising from the business over a future select period of time (say 3 years), which period is called the explicit forecast period. Free cash flows are defined to include all inflows and outflows associated with the project prior to debt service, such as taxes, amount invested in working capital and capital expenditure. Under the DCF methodology, value must be placed both on the explicit cash flows as stated above, and the ongoing cash flows a company will generate after the explicit forecast period. The latter value, also known as terminal value, is also to be estimated.



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The longer the period covered by the projection, the less reliable the projections are likely to be. For this reason, this approach is used to value businesses, where the future cash flows can be projected with a reasonable degree of reliability.

The discount rate applied to estimate the present value of explicit forecast period free cash flows as also continuing value, is taken at the "Weighted Average Cost of Capital" (WACC). One of the advantages of the DCF approach is that it permits the various elements that make up the discount factor to be considered separately, and thus, the effect of the variations in the assumptions can be modelled more easily. The principal elements of WACC are cost of equity (which is the desired rate of return for an equity investor given the risk profile of the company and associated cash flows), the post-tax cost of debt and the target capital structure of the company (a function of debt to equity ratio). In turn, cost of equity is derived, on the basis of capital asset pricing model (CAPM), as a function of risk-free rate, Beta (an estimate of risk profile of the company relative to equity market) and equity risk premium assigned to the subject equity market.

In case company holds any asset, which is surplus to its business and expansion plans, and they are material in quantum, then such assets are to be valued at its estimated net realizable value instead of book value.

ii) Market Price (MP) Method:

Market Value of Shares quoted on Stock Exchanges-The Market Value of a listed stock carries significant weightage in the analysis of the Equity Value of the Company. The Price at which the shares of a listed company are quoted on a recognized Stock Exchange, is an indicator of the value of the Company. This method is effective in various situations as market force collectively determine the price quoted on the stock exchanges. The market value is an outcome of various factors like quality and integrity of the Management, present and prospective competition, yield on comparable securities, market sentiment, etc. Since the shares of YPL (Transferee Company) are listed on the Stock Exchange, this method is considered while on the other hand since YCL (Transferor Company) is unlisted company so Market Value Method is not considered. 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 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 has been considered by the Valuer.

4.2 Accordingly, Fair Valuation of shares of the Transferor Company has been determined on the basis of Discounted Cash Flow Method and the Transferee Company has been determined on the basis of Market Price Method for the purpose of working out of share exchange swap ratio for amalgamation/merger.



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5. CONCLUSION

We have reviewed the methodology as mentioned above adopted by the Valuer for arriving at the fair valuation of the equity shares of Companies and also reviewed the working and underlining assumptions adopted to arrive at the values under each of the above approaches, for the purposes of recommending a ratio of entitlement/exchange.

On the basis of the foregoing points, we are of the opinion that the valuation done by Ms. Sudha Bhushan, Registered Valuer (Securities & Financial Assets) having Registration Number IBBI/RV/07/2019/12234 is fair & reasonable for the proposed Share Exchange Ratio of 68.63 Equity Shares of face value ₹10 each of YPL for every 1 Equity Share of face value of ₹10 each held in YCL.

Thanking you,

For Mark Corporate Advisors Private Limited


Rajendra Kanoongo
Jt. Managing Director

Place: Mumbai

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 Corporate Identity Number: L67120MH2005PLC155188



DCS/AMAL/BA/R37/1890/2020-21

"E-Letter"

February 1, 2021

The Company Secretary,
YASH PAKKA LTD.
 24/57, Birhana Road, Kanpur,
 Uttar Pradesh, 208001

Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Merger by absorption amongst Yash Pakka Limited, Yash Compostables Limited and their respective shareholders and creditors.

We are in receipt of the Draft Scheme of Merger by absorption amongst Yash Pakka Limited, Yash Compostables Limited 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 February 1, 2021 has inter alia given the following comment(s) on the draft scheme of merger:

- "The Company shall ensure that it discloses the following before Hon'ble NCLT and shareholders, while seeking approval of the scheme.
 - i. The details regarding the new swap ratio adopted by the board of directors of the Company along with the reasons thereof.
 - ii. The details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors."
- The company shall ensure that the para 8.2 of the Scheme is rephrased in a such a manner so as to fully disclose the fact that the new swap ratio has been adopted by the board of directors and the same is different from that considered by the registered valuer."
- "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall duly comply with various provisions of the Circular."
- "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.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

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.

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.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

sd/-

Nitinkumar Pujari
Senior Manager



Complaints Report

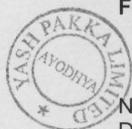
Part A

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 (1+2)	NIL
4.	Number of complaints resolved	NIL
5.	Number of complaints pending	NIL

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
NOT APPLICABLE			

For Yash Pakka Limited



(Signature)
 Narendra Agrawal
 Director Works
 DIN: 05281887
 Date: 9th December, 2020

Formerly Yash Papers Limited

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 CIN: L24231UP1981PLCO05294



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF YASH PAKKA LIMITED ("COMPANY") AT ITS MEETING HELD ON SATURDAY, THE 20TH DAY OF JUNE, 2020, EXPLAINING THE EFFECT OF THE SCHEME OF MERGER BY ABSORPTION OF YASH COMPOSTABLES LIMITED BY THE COMPANY AND THEIR RESPECTIVE SHAREHOLDERS ON SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS OF THE COMPANY

Background

The Board of Directors (the "**Board**") of the Company at its meeting held on Saturday, June, 20 2020, approved the Scheme of Merger by Absorption of Yash Compostables Limited (the "**Transferor Company**") by Yash Pakka Limited ("**Transferee Company**" or "**YPL**") and their respective shareholders pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Section 2(1B) of the Income Tax Act, 1961. ("**Scheme**").

The Scheme provides for merger of YCL with the Company in the manner set out in the Scheme and various other matters consequential to or otherwise integrally connected with the above, in the manner provided for in the Scheme. As per Section 232(2)(c) of the Companies Act, 2013, a report adopted by the Directors explaining effect of arrangement and amalgamation on Shareholders, Key Managerial Personnel (KMPs), Promoters and Non-Promoter Shareholders laying out in particular the Share Exchange Ratio ("**Report of the Board**") is required to be circulated to the shareholders.

Having regard to the applicability of the aforesaid provisions, the Report of the Board is accordingly being made to comply with the provisions of Section 232(c) of the Companies Act, 2013.

While considering the Scheme, the Board perused the following documents and also took on record the same –

- a. Draft Scheme;
- b. The valuation report(s) dated June 19, 2020 issued by M/S Sudha Bhushan, which sets out the share entitlement ratio for the Scheme;
- c. Fairness Opinion dated issued by Mark Capital Advisory Services;
- d. The Report of the Audit Committee held on June 19, 2020;

Rationale for the Scheme

The merger of YCL with the Company is based on the following rationale:

- i. YCL and YPL, belonging to the same group of management, it would be advantageous to combine the activities and operations in a single entity. The amalgamation would create synergies between two complementing companies

For Yash Pakka Limited

Jagdeep Hira
Managing Director

Formerly Yash Papers Limited

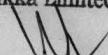
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with similar objective and business line.

- ii. Both YPL and YCL has their independent B2B customer's and dealer networks, supply chain and logistic partners, the amalgamation will also provide synergistic linkages besides economies in costs by combining the total business functions in all segments including sales, procurement, logistic activities and the related activities and operations and thus contribute to the profitability of the amalgamated entity.
- iii. Economies of scale will play a bigger role as the consolidated entity's operational efficiency will increase, which will in turn allow the merged entity to compete on a larger scale in the industry, thus benefiting the merged entity and the shareholders.
- iv. The amalgamation will enable the merged entity to build up a diversified product portfolio in YPL and will assist the merged entity with faster and quicker decision making as both manufacturing and marketing activities are under the same management.
- v. The amalgamation will enable the merged entity to get direct access to customers which will give them a better understanding of the market taste and customer requirements. This will assist the merged entity to produce right quality required for different market segment
- vi. With YPL having a manufacturing experience of more than 40 years alongwith all the requisite technical know-how to produce in house paper pulp which is a basic input for compostable products, gives YPL an edge over other competitors and YCL a company involved in marketing will result in the merged entity to have all the necessary functions under one roof. It is considered desirable and expedient to consolidate and amalgamate the business of both YCL and YPL so as to bring both the functions will be under the same management, production planning process will become more aligned to the customer needs which will result in a stronger asset base and skills to conduct the business in the emerging environment and to rationalise the costs of business.
- vii. The amalgamation will increase the net worth of YPL which would enable it to capitalise upon such improved net worth to enhance the stake holders' value.
- viii. The amalgamation will increase financial strength, enhance flexibility and ability to raise larger resources, attract and retain better talent and undertake larger support services related projects.
- ix. The amalgamation will result in integration and effective utilisation of resources, which is likely to result in optimising overall shareholder value and improvement in competitive position of YPL as a combined entity.

For Yash Pakka Limited


Jagdeep Hira
Managing Director

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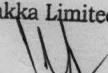
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- x. The amalgamation will result in economy of scale, reduction in overheads, administrative and other expenditure, efficiency and optimal utilisation of various resources.
- xi. The amalgamation will bring both the entities under one roof to portray one face to all the parties with whom the Yash Group deals.
- xii. The amalgamation will result in better leveraging of facilities, infrastructure and resources.
- xiii. Duplication of administrative functions together with the multiple record keeping will be eliminated, resulting in over-all reduction in expenditure.
- xiv. The amalgamation will result in significant reduction in multiplicity of legal and regulatory compliances which at present is required to be made separately by YCL as well as by the YPL.
- xv. This merger will provide an opportunity to leverage assets and build a stronger sustainable business. It will provide an opportunity to fully leverage stronger asset capabilities, experience, expertise and infrastructure of both the companies and thus increased ability for promotion of business activities as well as for fund raising as may be required for business development.
- xvi. The merger would lead to synergic benefits, efficiency of operations and management, rapid growth of the entity, optimum utilization of its resources and minimization of the administrative and operative costs.
- xvii. The merger will result in a value creation for the shareholders and stakeholders of YCL and YPL as the combined amalgamated company will have improved efficiency, market share, financial structure, larger cash flows and stronger consolidated revenue and profitability.
- xviii. The merger of YCL with YPL would result in consolidation of business activities of both the companies and will facilitate effective management of investments and synergies in operation.
- xix. There is no likelihood that any shareholder or creditor or employee of YCL and YPL would be prejudiced as a result of the Scheme. Thus, the merger is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large

Valuation

The Registered Valuer, MS. Sudha Bhushan has determined the share exchange ratio i.e. 68.63: 1 i.e. (Sixty Eight point Sixty three) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity share of Rs.10

For Yash Pakka Limited


Jagdeep Hira
Managing Director

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each fully paid up held by them in YCL on basis of the valuation of the assets and liabilities of the Company carried out by them as provided in their report. This was arrived at based on a 2 week / 26 weeks weekly average price on BSE (higher of 2 or 26 weeks). The Board considered that it would be prudent to consider a simple average price of last twelve months instead of 26 weeks as a price base and this will benefit the company and the shareholders. Accordingly, the per share value of YPL should be revised upward to Rs 41.68 Per Share as against the value arrived by Registered Valuer at Rs 34.48. Accordingly, the new share exchange ratio will be 56.77: 1 i.e. (Fifty Six point Seventy Seven) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL.

Accordingly, upon the Scheme coming into effect, in consideration of the merger of YCL with the Company pursuant to provisions of this Scheme, and without any further application, act, deed payment, consent, acts, instrument or deed, the Company will issue and allot 56.77 (Fifty Six point seventy seven) fully paid-up equity shares of Rs.10 each (the "New Shares") to shareholders of YCL in accordance with the terms of the Scheme. The New Shares will be issued by the Company to such equity shareholders of YCL whose names are recorded in the register of members of YCL as on the Record Date in the ratio of 56.77: 1 i.e. (Fifty Six point Seventy Seven) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL.

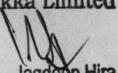
If, after applying the New Shares Entitlement Ratio, a person eligible to receive equity shares of the Company pursuant to Clause 8 of the Scheme, becomes entitled to receive any fractional equity shares of the Company, such person shall be entitled to receive one fully paid share instead of any such fractional entitlement.

Effect of the Scheme on equity shareholders (promoter shareholders and non-promoter shareholders), employees and KMPs of the Company:

Disclosure about the effect of the Scheme on the following persons:

Sr. No.	Category	Effect of the Scheme
1.	Shareholders	As per the Valuation Report prepared by the MS. Sudha Bhushan, Registered Valuer (Reg. No.: IBBI/RV/07/2019/12234) the share exchange ratio determined was 68.63: 1 i.e. (Sixty Eight point Sixty three) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL on basis of the valuation of the assets and liabilities of the Company carried out by them as provided in their report. However, for the benefit of the public shareholders, the Board believes that the per share value of YPL should be revised upward to Rs 41.68 Per Share as against the value arrived by Registered

For Yash Pakka Limited



Jagdeep Hira
Managing Director

Formerly Yash Papers Limited

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		<p>Valuer at Rs 34.48. Accordingly, the new share exchange ratio will be 56.77: 1 i.e. (Fifty Six point Seventy Seven) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity share of Rs.10 each fully paid up held by them in YCL.</p> <p>Pursuant to this Scheme, as part of the consideration for the merger by absorption, the Company will issue and allot 28,38,719 (Twenty Eight Lakhs Thirty Eight Thousand Seven Hundred Nineteen) fully paid-up equity shares of Rs.10 each (the "New Shares") to shareholders of the Company. The New Shares will be issued by the Company to such equity shareholders of YCL whose names are recorded in the register of members of YCL as on the Record Date in the ratio of 56.77: 1 i.e. 56.77 (Fifty Six Point Seventy Seven) equity share of Rs.10 each credited as fully paid up in the Company for every 1 (One) equity shares of Rs.10 each fully paid up held by them in YCL.</p> <p>The New Shares issued and allotted by the Company in terms of this Scheme shall rank <i>pari-passu</i> in all respects with the existing shares of YPL, including in respect of dividends, if any, that may be declared by YPL, on or after the Effective Date.</p>
2.	Promoters	Upon the Scheme coming into effect, the promoter shareholding of consolidated entity (i.e. the Company) will be 49.2% of the total paid-up share capital of the Company as against current 45.1% of the total paid-up share capital of the Company.
3.	Non-promoter Shareholders	Please refer point 1 above regarding effect on the equity shareholders
4.	Key Managerial personnel (KMP) (other than Directors)	No change in Key Managerial Person is expected pursuant to the Scheme
5.	Directors	There is no adverse effect of the Scheme on the Directors of the Transferee Company.
6.	Depositors	N.A.
7.	Creditors	Upon the Scheme coming into effect, the creditor obligations with respect to YCL shall become the obligations of the Company. The Scheme is expected to be in the best interest of the Company's creditors.
8.	Debenture holders	N.A.

For Yash Pakka Limited



Jagdeep Hira
Managing Director

Formerly Yash Papers Limited

Yash Pakka Limited, Yash Nagar, Ayodhya 224135 (U.P.), India
+91-5278-258174 | connect@yashpakka.com
www.yashpakka.com

2nd Floor, 24/57 Birhana Road
Kanpur 208001, (U.P.), India
CIN: L24231UP1981PLCO05294

9.	Deposit trustee & Debenture trustee	N.A.
10.	Employees of the company	All the staff, workmen and employees of YCL shall become staff, workmen and employees of the Company without any break in their service. No right of employees shall get affected.

For and on behalf of the Board of Directors of Yash Pakka Limited.



Jagdeep Hira
Managing Director
DIN: 07639849

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DUE DILIGENCE CERTIFICATE

September 02, 2021

To,
Board of Directors
Yash Compostables Limited
 Flat No. 202, 3A/172,
 Azad Nagar, Kanpur – 208002,
 Uttar Pradesh

Dear Sir(s)/Madam,

- Sub** : Certificate on adequacy and accuracy of disclosures made in Abridged Prospectus of Yash Compostables Limited
- Ref** : Merger by Absorption of Yash Compostables Limited (hereinafter referred to as “**the Transferor Company**” or “**YCL**”) by Yash Pakka Limited (hereinafter referred to as “**the Transferee Company**” or “**YPL**”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

We, Mark Corporate Advisors Private Limited, refer to our engagement letter dated May 21, 2020 for the purpose of certifying the adequacy and accuracy of disclosure of information pertaining to Merger by Absorption of “**YCL**” by “**YPL**” with their respective Shareholders and Creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

Regulatory Requirement

SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 and amendment thereof, if any (“**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 Arrangements 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 E of Schedule VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendment thereof [“**SEBI (ICDR) Regulations, 2018**”].

We, the Merchant Banker to the above mentioned offer, state and confirm that:

- We have examined various documents and other materials in connection with finalization of disclosure of information pertaining to YCL (“Abridged Prospectus”) which will be circulated to the members at the time of seeking their consent to the proposed Scheme of Merger by Absorption of YCL by YPL as a part of explanatory statement to the notice.



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MARK CORPORATE ADVISORS PVT. LTD.

CIN No : U67190MH2008PTC181996

GSTIN/UIN : 27AAF5379J1ZY

404/1, The Summit Business Bay, Sant Janabai Road, (Service Lane), Off. W. E. Highway, Vile Parle (E), Mumbai - 400 057
 Tele : +91 22 2612 3207 Fax : +91 22 2612 3208 Web : www.markcorporateadvisors.com E-mail : info@markcorporateadvisors.com



- On the basis of such examination and the discussions with the management of YCL, its directors, others officers, other agencies and on independent verification of contents of Abridged Prospectus and other paper furnished to us; we state that:
 - ↪ The Information contained in the Abridged Prospectus dated September 02, 2021 is in conformity with the relevant documents, materials and other papers related to YCL.
 - ↪ The Abridged Prospectus contains applicable information pertaining to 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 Merger by Absorption of YCL (“Transferor Company”) by YPL (“Transferee Company”).

Disclaimer and Limitation:

- 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.
- This certificate is issued on the basis of examination of information and documents provided by YCL and information which is available in the public domain and wherever required, the appropriate representation from YCL has also been obtained.
- 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.
- Our opinions is not nor should it be constructed as our opining or certifying the compliance of the proposed Scheme of Merger with the provision of any law including companies, taxation, capital market, related laws or as regards any legal implications or issues arising thereon, in their respective jurisdiction.

For Mark Corporate Advisors Private Limited


Rajendra Kanoongo
Jt. Managing Director
Place: Mumbai

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MARK CORPORATE ADVISORS PVT. LTD.

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Tele : +91 22 2612 3207 Fax : +91 22 2612 3208 Web : www.markcorporateadvisors.com E-mail : info@markcorporateadvisors.com

This Abridged Prospectus discloses applicable information of the unlisted entity i.e. Yash Compostables Limited in compliance with Part E of Schedule VI of the SEBI (ICDR) Regulations, 2018 and SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated 22nd December, 2020 (“SEBI Circular”) including amendments thereof.

THIS ABRIDGED PROSPECTUS CONTAINS 6 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES

YASH COMPOSTABLES LIMITED

CIN: U51100UP2014PLC062981

Registered Office: Flat No. 202, 3A/172, Azad Nagar, Kanpur – 208002, Uttar Pradesh

Tel No.: + 91 78279 35276

Email id: business@yashcompostables.com, **Contact Person:** Mr. Amit Sharma

This Document is prepared to comply with the requirement of Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular and sets out the disclosures in the abridged prospectus format as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable. Yash Pakka Limited (hereinafter referred to as the “Issuing Company” or “the Transferee Company” or “YPL”) is already listed on BSE Limited. Pursuant to the Scheme of Merger by Absorption of Yash Compostables Limited (“YCL”) by Yash Pakka Limited (“YPL”) (“Scheme”), there is no issue of Equity Shares to the public, except to the existing shareholders of Yash Compostables Limited (hereinafter referred to as “the Transferor Company” or “YCL”) which is an unlisted company. Pursuant to the Scheme, YPL shall issue 28,38,500 new Equity Shares of Rs. 10/- each to the existing shareholders of YCL. The new Equity Shares so issued by YPL will be listed on BSE Limited. The requirements with respect to General Information Document are not applicable and this abridged prospectus should be read accordingly.

You may download this Abridged Prospectus, alongwith the Scheme and the Valuation Report dated June 18, 2020 issued by Sudha Bhushan, Registered Valuer Securities or Financial Assets and Fairness Opinion Report dated June 19, 2020 issued by Mark Corporate Advisors Private Limited, Merchant Banker, from the website of YPL i.e. www.yashpakka.com and the website of BSE i.e. www.bseindia.com.

PROMOTERS OF TRANSFEROR COMPANY

MR. VED KRISHNA AND MRS. MANJULA JHUNJHUNWALA

SCHEME AND LISTING DETAILS

This is the Scheme of Merger by Absorption of Yash Compostables Limited by Yash Pakka Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

Pursuant to the Scheme of Merger, YPL shall issue 28,38,500 new Equity Shares of Rs. 10/- each to the existing shareholders of YCL. Further, the total number of new shares to be issued and allotted by YPL to the Equity Shareholders of YCL may vary from the total number of shares on account of fractional entitlement as disclosed under clause 8.10 and 8.11 of the Scheme of Arrangement. The New Equity Shares issued by YPL are proposed to be listed on BSE Limited. Upon the Scheme coming into effect, YCL shall be dissolved without winding up. The name of YCL shall be struck off from the records of the Registrar of Companies, Uttar Pradesh.

The details with respect to the meeting of the shareholders through remote e-Voting of the Issuing Company/ YPL as convened in accordance with sections 230 to 232 of the Companies Act, 2013 and e-Voting required as per the SEBI Circular and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements)

ABRIDGED PROSPECTUS

Regulations, 2015 where the Scheme would be placed before the shareholders, will be published in the newspapers as may be directed by the Hon'ble National Company Law Tribunal ("NCLT"), Bench at Allahabad.

Details about the basis for the swap of Equity Shares in accordance with the Scheme and the Valuation Report and Fairness Opinion are available on the website of the YPL and BSE Limited.

NAME OF THE STATUTORY AUDITOR

M/s Rajeev Prem & Associates, Chartered Accountants, Mumbai (FRN: 008905C)

DETAILS OF PROMOTERS OF TRANSFEROR COMPANY

1. **Mr. Ved Krishna** aged 46 years, having PAN AJRPK1551C is a Master of Science-MS, Biomimicry from Arizona State University. He has been with the organization for over 14 years and has grown the company over 4 times. He looks after Strategy of the Company.
2. **Mrs. Manjula Jhunjunwala** aged 69 years having PAN ABSPJ4695H is a graduate B.A. in history from Calcutta University and is the founder of the Company. She has around 39 years of experience in Paper Industry. She is a revered educationist and philanthropist. She has built a great name in the field of early education through Jingle Bells Nursery Schools Society.

BUSINESS MODEL/ BUSINESS OVERVIEW AND STRATEGY

YCL was originally incorporated under the name of "Yash Ecoenergy Limited" under the provisions of the Companies Act, 2013 vide Certificate of Incorporation dated February 27, 2014 issued by the Registrar of Companies, Uttar Pradesh. Thereafter, the name of the company was changed from "Yash Ecoenergy Limited" to its present name i.e. "Yash Compostables Limited" vide fresh Certificate of Incorporation pursuant to change of name dated July 3, 2018 issued by the Registrar of Companies (RoC), Kanpur. The Corporate Identification Number of the Company is U51100UP2014PLC062981.

YCL is inter-alia engaged in the business of trading of compostable products. YCL is also a marketing Company and has played a major role in development of the brand named 'Chuk' which is owned by YPL.

BOARD OF THE DIRECTORS

Sr. No.	Name	Designation (Independent/ Whole Time/ Executive/ Nominee)	Address	Experience	Directorship held in other companies
1.	Mr. Ved Krishna PAN: AJRPK1551C	Director	Officers' Colony, Yash Papers Limited, Darshan Nagar, Faizabad-224135 (UP)	Mr. Ved Krishna aged 46 years, having is a Master of Science-MS, Biomimicry from Arizona State University. He has been with the organization for over 14 years and has grown the company over 4 times. He looks after Strategy of the Company. He is an	i. Yash Pakka Limited ii. Yash Skills Limited

ABRIDGED PROSPECTUS

				<p>impact investor who is inclined towards green-collar initiatives. He is driven by his purpose of creating and promoting sustainable packaging solutions to contribute towards a cleaner planet for the future and through Yash Pakka he aims to fulfill the same.</p>	
2.	<p>Mrs. Kimberly Ann Mearthur PAN: BYEPM4617C</p>	Director	<p>Yash Papers Limited Yash Nagar, Darshan Nagar Faizabad 224135 (UP)</p>	<p>Mrs. Kimberly Ann Mearthur is the international perspective on the board. She earned a Masters in Communication and built her Company Freerange Studios in the USA from a start up to a well known design firm that works on social causes. From experience in running her own business for ten years, she gained business strategic experience combined with her great acumen for aesthetics and design. She also has a deep commitment to Yash Pakka' CSR efforts.</p>	Yash Pakka Limited
3.	<p>Mr. Amit Sharma PAN: AWMPS0346P</p>	Director	<p>House No.44D Pocket – C Gangotri Enclave, Alaknand New Delhi 110019</p>	<p>Mr. Amit Sharma has started his career with Abhishek Industries in textile sector. He has total 17 years of experience spread across textiles, optical media and food and packaging industries across US, Europe and India.</p>	Katyayani Bites Private Limited
4.	<p>Mr. Sumant Pai PAN: AIZPP4464E</p>	Director	<p>H. No. 60/1 21 East Canal Road Dehradun 248001, Utrakhand, India</p>	<p>Mr. Sumant Pai is our Energetic! He comes in with as diverse a background and has an experience of 22 years in shipping, film making, human resources and</p>	Satori Global Limited

ABRIDGED PROSPECTUS

				production to now tackle sales. HE has wide international exposure and an ability to connect with people. He is ambitious and looks to contribute towards the value addition and growth of the business.	
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OBJECTS OF THE ISSUE

NOT APPLICABLE

SHAREHOLDING PATTERN

Sr. No.	Particulars	Pre- Merger		Post- Merger	
		No. Shares held	%	No. Shares held	%
1.	Promoter/ Promoter Group	49,500	100%	N.A.	-
2.	Public	500	1%	N.A.	-
	Total	50,000	100%	N.A.	-

RESTATED AUDITED AND PROVISIONAL FINANCIALS

(Amt. in Rupees)

Particulars	Latest Stub Period	For F.Y. ended	For F.Y. ended	For F.Y. ended	For F.Y. ended	For F.Y. ended
	30.06.2021 ^{Refer Note 2}	31.03.2021	31.03.2020	31.03.2019	31.03.2018	31.03.2017
	Unaudited	Audited	Audited	Audited	Audited	Audited
Total Income from Operations (Net)	33,873,136.90	194,542,460.72	213,100,901.46	112,735,782.28	0.00	0.00
Net Profit/ (Loss) Before Tax and Extraordinary Items	(1,620,688.13)	7,494,803.84	(2,308,000.10)	(15,032,182.73)	(16,889.00)	(40,802.50)
Net Profit/ (Loss) After Tax and Extraordinary Items	(11,99,309.13)	5,456,327.16	(1,714,149.82)	(11,090,579.50)	(16,889.00)	(40,802.50)
Equity Share Capital	5,00,000.00	5,00,000.00	5,00,000.00	5,00,000.00	5,00,000.00	5,00,000.00
Reserves & Surplus	(87,37,593.31)	(7,538,284.18)	(12,994,611.34)	(11,280,461.52)	(189,882.02)	(172,993.02)
Net Worth	(82,37,593.31)	(7,038,284.18)	(12,494,611.34)	(10,780,461.52)	310,117.98	327,006.98

ABRIDGED PROSPECTUS

Basic earnings per share (Rs.)	(23.99)	109.13	(34.28)	(221.81)	(0.34)	(0.82)
Diluted earnings per share (Rs.)	(23.99)	109.13	(34.28)	(221.81)	(0.34)	(0.82)
Return on Net Worth (%)	NIL	NIL	NIL	NIL	(5.45)	(12.48)
Net Assets Value per share (Rs.)	(164.75)	(140.77)	(249.89)	(215.61)	6.20	6.54

Note:1. The above financials are audited by M/s Rajeev Prem & Associates, Chartered Accountants, Peer Review Certified Auditor, Peer Review No. 010725.

2. Certified by the Management of YCL.

3. In case of Negative Networth, Return on Networth has been taken as Nil.

INTERNAL RISK FACTORS

1. Fluctuating prices of raw material is a big concern for the industry which may strain the profitability margins of the Company.
2. Availability of skilled manpower is a concern. Our business is labour oriented business, our operations could be adversely affected by work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.
3. Our business requires high working capital. In case there are insufficient cash flows to meet our requirement, there may be an adverse impact on the results of our operations.
4. We may be seriously affected by delays in the collection receivables from our clients and may not be able to recover adequately our claims.
5. Implementation of the Scheme completely depends on the approval of regulatory authorities. Any modification or revision in the scheme by competent authorities may delay the completion of the process.
6. Pursuant to the scheme, all assets and liabilities of our Company being transferred to YPL. There may be potential risks regarding business, financial, tax and regulatory matters of our Company which may have an adverse impact on YPL.

SUMMARY OF OUSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

- A. Total number of outstanding litigations against the Company and amount involved: **NIL**
- B. Brief details of top 5 material outstanding litigations against the company and amount involved: **NIL**
- C. Regulatory Action, if any- disciplinary action taken by SEBI or Stock Exchanges against the Promoters in last 5 financial years including action, if any.- **NIL**
- D. Brief details of outstanding criminal proceedings against Promoters – **NIL**

ANY OTHER IMPORTANT INFORMATION AS PER THE TRANSFEREE COMPANY

NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India, established under Section 3 of Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Abridged Prospectus is contrary to the provisions of Companies Act, 2013, Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued

ABRIDGED PROSPECTUS

thereunder, as the case may be. We further certify that all statements in the Abridged Prospectus are true and correct.

FOR YASH COMPOSTABLES LIMITED

A handwritten signature in black ink, appearing to read 'Amit Sharma', is written over a horizontal line. The signature is cursive and somewhat stylized.

Amit Sharma
Director
DIN: 07587504
Place: Delhi
Date: 02.09.2021

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH
CA (CAA) No. (IB) 06/ALD/2021**

In the matter of Companies Act, 2013;

And

In the matter of Sections 230 to 232 of the
Companies Act, 2013;

And

In the matter of Scheme of Merger by
Absorption of Yash Compostables Ltd. (the
"**Transferor Company/ Applicant Company
No. 1**") AND Yash Pakka Ltd. (the
"**Transferee/ Resulting /Applicant Company
No. 2**");

And

their respective shareholders.

Yash Pakka Limited

.... Applicant Company No./ Transferee Company/
YPL

FORM OF PROXY

I/We, the undersigned creditor(s) of the Transferee Company hereby appoint Mr./Ms. _____ and failing him / her Mr./Ms. _____ of as my / our proxy, to act for me / us at the meeting of the Secured Creditors of the Transferee Company to be held on the 7th day of October, 2021 Yash Nagar, Ayodhya – 224133, Uttar Pradesh at 1:30 p.m. or so soon thereafter for the purpose of considering and, if thought fit, approving, with or without modification(s), the Scheme of Merger by absorption of Yash Compostables Limited ("**YCL**" or "**Transferor Company**") by Yash Pakka Limited ("**YPL**" or "**Transferee Company**") and their respective shareholders and at such meeting and at any adjournment or adjournments thereof, to vote, for me / us / and in my / our name _____ (*here, if for, insert 'for'; if against, insert 'against', and in the latter case, strike out the words below after 'Scheme'*) the said Scheme, either with or without modification(s)*, as my / our proxy may approve.

*Strike out what is not necessary.

Dated this _____ day of _____ 2021

Name: _____

Address: _____

Signature of Creditor: _____

Signature of Proxy: _____

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. The proxy need not be a member of the applicant company.
3. Please complete all details including details of member(s) before submission.
4. All alterations made in the Form of Proxy should be initialed.
5. In case of multiple proxies, the proxy later in time shall be valid and accepted.

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YASH PAKKA LIMITED

CIN- L24231UP1981PLC005294

Regd. Office: 2nd Floor, 24/57, Birhana Road, Kanpur, Uttar Pradesh – 208001

ATTENDANCE SLIP

I hereby record my presence at the meeting of the Secured Creditors of the Transferee Company, convened pursuant to the Order dated 26th day of August, 2021 of the Hon'ble National Company Law Tribunal at the Yash Nagar, Ayodhya – 224133, Uttar Pradesh on 7th day of October, 2021 at 1:30 p.m.

Name and Address of the Secured Creditor	
---	--

Signature of Member _____

E-mail address _____

NAME AND ADDRESS OF THE PROXY

(in block letters, to be filled in by the proxy attending instead of the Secured Creditor):

Name and Address of Secured Creditor	

Signature of Secured Creditor _____

E-mail address _____

Notes:

1. Secured Creditor/proxies are requested to bring this slip with them. Duplicate slips will not be issued at the entrance of the venue of the meeting.
2. Secured Creditor attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.
3. The proxy form must be deposited so as to reach the Registered Office of the Transferee Company not less than FORTY-EIGHT HOURS BEFORE THE TIME OF THE meeting.

Route map for the venue of the meeting.

Day: Thursday

Date: October 7, 2021

Time: 01:30 p.m.

Venue: Yash Nagar, Ayodhya – 224133, Uttar Pradesh

