

**KALYANIWALLA
& MISTRY** (Regd.)

ANNEXURE-11

CHARTERED ACCOUNTANTS

To
The Board of Directors
Apcotex Industries Limited
Plot No 3/1 MIDC Industrial Area,
Taloja - 410208,
Dist: Raigad, Maharashtra.

The Board of directors of Apcotex Industries Limited (the proposed Amalgamated Company, hereinafter referred to as "Amalgamated Company" or "Company") at its meeting held on April 22, 2016 approved the Scheme of Amalgamation of Apcotex Solutions India Private Limited ('Apcotex Solutions' or 'Amalgamating Company') (Earlier known as OMNOVA Solutions India Private Limited), a wholly owned subsidiary of the Company, with itself (herein referred to as the 'Scheme'). The Scheme shall be subject to the approval / sanction by the Hon'ble High Court of Judicature at Bombay and such other authorities, as may be required under Section 391 to 394 of the Companies Act 1956 and other applicable provisions of the Companies Act 1956 / Companies Act 2013.

The Appointed Date is March 31, 2016 (being the date with effect from which the Scheme shall upon being sanctioned by the Hon'ble High Court of Judicature at Bombay, be in operation i.e. the date with effect from which the Amalgamating Company shall stand amalgamated into and with the Amalgamated Company) and accordingly the pre-merger and post-merger net worth certificate can only be drawn up post such sanction.

Further, we have been requested to provide a certificate for the pre-merger and post-merger net worth of the Amalgamated Company to be determined on the assumption that the scheme of amalgamation has been approved by the Hon'ble High Court of Judicature of Bombay and based on the financial statements available as on December 31, 2015.

Accordingly, based on the details outlined in the paragraph 1 to 8 below, the Net Worth referred to above has been determined and is indicated in paragraph 8 below:

1. The Scheme of Amalgamation proposes the Appointed Date to be March 31, 2016 and Effective date means the date on which the certified copies/authenticated copies of the Orders sanctioning this Scheme of Amalgamation, passed by the Hon'ble High Court of Judicature at Bombay or such other competent authority, as may be applicable, are filed with the Registrar of Companies, Mumbai.
2. For the purpose of this Certificate, we have determined the net worth of the Amalgamated Company as if such amalgamation had been given effect to as of



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December 31, 2015. However, this should not be construed to indicate that the Appointed Date is December 31, 2015 or that the conditions and matters referred to in the Scheme has been fulfilled as of the date of this Certificate.

3. The Financial Results of the Amalgamated Company as of December 31, 2015 have been subjected to audit by us being the Statutory Auditors of the Company under the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Financial Statements of the Amalgamating Company as on December 31, 2015 are Unaudited Financial Statements and have been certified by the Management of the Amalgamating Company
4. The Certificate has been issued at the request of the Amalgamated Company pursuant to the requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other Notifications / Circulars issued for the same.
5. The Management of the Company is responsible for the maintenance of proper books of account and such other relevant records as prescribed by applicable laws, which includes collecting, collating and validating data and designing, implementing and monitoring of Internal Controls relevant for the preparation of the Unaudited Financial Statements of the Company for the period ended December 31, 2015.
6. Our responsibility, for the purpose of this Certificate, is limited to certifying the particulars contained in the statement on the basis of the Financial Results of the Amalgamated Company (Audited) and the Amalgamating Company (as Certified by the Management), the proposed draft Scheme and other relevant records and documents maintained by the Company and did not include the evaluation of the adherence of the Company with all the applicable guidelines. We conducted our verification in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes and Standards of Auditing issued by the Institute of Chartered Accountants of India.
7. On the basis of our verification and examination of the proposed scheme and according to the information and explanations provided to us by the Management of the Company, we state that we have examined the annexed statement as prepared by the Company with:
 - a. the audited financial results of Amalgamated Company for the period ended December 31, 2015 and the audit report issued as per the requirement of Regulation 33 of SEBI(Listing Obligation and Disclosure Requirements) Regulations 2015.
 - b. the unaudited financial statements of Amalgamating Company for the period ended on December 31, 2015 as certified by the Management.




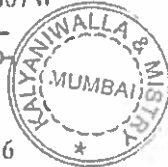
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- c. certified copy of the proposed draft scheme as approved by the Board of Directors of the Company at its meeting held on April 22, 2016 and subsequently amended by the Board in its meeting held on May 16, 2016.
- d. the information and explanations given to us.
8. Based on the documents referred to in paragraph 7 above and consideration of Para 1 to 6 above, we certify that the Net Worth of the Amalgamated Company been determined as on December 31, 2015 after considering the effects of the Scheme of Amalgamation, as referred above, the pre-merger and post-merger Net Worth of the Amalgamated Company would have been Rs 115.86 Cr and Rs 115.86 Cr respectively as on that date (refer to the attached statement of computation). The net worth shown above includes the Securities Premium Account of Rs 26 Cr (Pre and Post Merger) as at December 31, 2015.

This Certificate has been issued at the request of the Amalgamated Company for onward Submission to the stock exchange, courts, any other statutory authorities and other purposes incidental to obtaining regulatory approvals for the Scheme of Amalgamation approved by the Board of Directors of the Amalgamated Company on April 22, 2016 and may not be used or relied upon for the other purposes without our express written consent.

For Kalyaniwalla & Mistry
Chartered Accountants
Firm Registration No.: 104607W


Ermin K. Irani
Partner
Membership Number: 35646



Place: Mumbai
Date: May 18, 2016

**KALYANIWALLA
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**Statement of Computation of Pre amalgamation and Post amalgamation Net Worth of
the Company as at December 31, 2015**

Rs. in Crores

Particulars		(Transferee Company)	
		Pre-amalgamation	Post-amalgamation
Equity Share Capital	A	10.41	10.41
Reserve & Surplus (Excluding Revaluation Reserve)			
General Reserves		24.04	24.04
Surplus in Statement of Profit and Loss		55.41	55.41
Total Free Reserves excluding Security Premium		79.45	79.45
Security Premium		26.00	26.00
Total Free Reserves including Security Premium	B	105.45	105.45
Less Miscellaneous Expenditure	C	-	-
Deferred revenue expenditure not written off	D	-	-
Net worth	A+B- C-D	115.86	115.86
Other Reserves			
- Capital Reserve*		-	62.60
		-	

*Capital Reserve arising on amalgamation

