

Ref. No. SEC/NSE/BSE/2016-17  
September 29, 2016

To

The Manager, Capital Market (Listing) National Stock Exchange of India Ltd. Exchange Plaza, 5 <sup>th</sup> Floor, Plot no. C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Stock Code: Equity – Sintex EQ	The Corporate Relationship Dept. BSE Ltd. 1 <sup>st</sup> Floor, Rotunda Building, Dalal Street, Mumbai- 400 001  Stock Code: Equity 502742
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Sub.: Press Release – Composite Scheme of Arrangement between Sintex Industries Limited and Sintex Plastics Technology Limited and Sintex-BAPL Limited and Sintex Infra Projects Limited and their respective shareholders and creditors

Dear Sir


With respect to the proposed scheme of arrangement, please find enclosed the revised press release for your information.

Please note that Investec Capital Services (India) Private Limited (“Investec”) acted as the lead financial and transaction advisor to the Company in respect of the Scheme.

Kindly note the above update and request you to arrange for the revised press release to be placed on your notice board for information of the members.

Thanking You,

Yours Faithfully,  
For Sintex Industries Limited

  
Hitesh T. Mehta  
Company Secretary



Enclosed: As stated above.

**SINTEX INDUSTRIES LIMITED**

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Ph: +91-2764-253000, Fax : +91-2764-222868 Email:bvm@sintex.co.in  
CIN : L17110GJ1931PLC000454

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## PRESS RELEASE

### Sintex Industries Limited announces Composite Scheme of Arrangement

**Ahmedabad, 29 September 2016:** The Board of Directors of Sintex Industries Limited ('Sintex') today unanimously approved the Composite Scheme of Arrangement for the demerger of the "*Custom Moulding Business*" and the "*Prefab Business*" from Sintex Industries Limited to Sintex-BAPL Limited and Sintex Infra Projects Limited, respectively, each a wholly owned subsidiary of Sintex Plastics Technology Limited.

Sintex Industries Limited today announced a Composite Scheme of Arrangement ("Scheme") for demerger of the "*Custom Moulding Business*" and the "*Prefab Business*" into Sintex-BAPL Limited and Sintex Infra Projects Limited, respectively and streamline various businesses developed by the Group, thereby creating focused leadership and management attention. The Scheme also involves issuance of equity shares of Sintex Plastics Technology Limited to the equity shareholders of Sintex Industries Limited such that shareholders of Sintex Industries Limited will effectively get one equity share of Sintex Plastics Technology Limited upon demergers against one equity share held in Sintex Industries Limited and listing of these equity shares of Sintex Plastics Technology Limited on the BSE Limited and the National Stock Exchange of India Limited. The Transaction is expected to unlock value of shareholders by separating various businesses in different entities.

#### Key Highlights of the Scheme:

- Demerger of "*Custom Moulding Undertaking*" from Sintex Industries Limited comprising the undertaking, businesses, activities, operations, assets (movable and immovable) and liabilities along with strategic investment in Sintex Holdings B.V. (Netherlands) into Sintex-BAPL Limited;
- Demerger of "*Prefab Undertaking*" from Sintex Industries Limited comprising the undertaking, businesses, activities, operations, assets (movable and immovable) and liabilities into Sintex Infra Projects Limited; and
- The appointed date of the Scheme, being the date on which the undertakings shall vest in the respective resulting companies, has been fixed at 1st April 2016.

The Scheme of Arrangement would reorganise the Plastic Business under Sintex Plastics Technology Limited but at the same time it would house the businesses in different entities i.e. "*Custom Moulding business*" of Sintex Industries in Sintex-BAPL



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Limited and “Prefab business” of Sintex Industries in Sintex Infra Projects Limited, each being a wholly owned subsidiary of Sintex Plastics Technology Limited. In consideration of the demergers, the equity shares of Sintex Plastics Technology Limited will be issued to the equity shareholders of Sintex Industries Limited such that shareholders of Sintex Industries Limited will effectively get one equity share of Sintex Plastics Technology Limited upon demergers against one equity share held in Sintex Industries Limited

### **Rationale for the Proposed Scheme**

The scheme is expected to establish leadership and management focus on the core businesses. This would, not only help in managing businesses and operations more efficiently, help businesses to develop & execute growth plans, strategies and market opportunities, structure competencies, systems and processes unique to the individual businesses. Each of the businesses have significant growth and profitability potential, which this demerger will enable us to explore. This will unlock value and provide attractive opportunity for all the Stakeholders including our Shareholders, Lenders, Customers, Employees, Suppliers, Strategic Partners, Investors etc.

### **Proposed Transaction Steps and Demerger Share Entitlement Ratio**

- In consideration of demergers, one equity share of Sintex Plastics Technology Limited will be issued to the equity shareholders of Sintex Industries Limited for every one equity share held by such in Sintex Industries Limited as on the Record date (as decided by the management of Sintex Industries Limited upon sanctioning of the Scheme by the High Court of Gujarat). The equity shares currently being held by Sintex Industries Limited in Sintex Plastics Technology Limited would be cancelled pursuant to the Scheme.
- The new equity shares to be issued by Sintex Plastics Technology Limited to the equity shareholders of Sintex Industries Limited pursuant to demergers, will be listed and admitted to trading on the BSE and NSE where the equity shares of Sintex Industries Limited are listed and admitted to trading in terms of the Scheme and subject to the exemption to be granted by the Securities and Exchange Board of India (‘SEBI’) under Rule 19(7) of the Securities Contract (Regulation) Rules, 1957, as amended (‘SCRR’) from the strict enforcement of the requirements of Rule 19(2)(b) of the SCRR.



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**Transaction Advisory, Recommendations and Fairness Opinion**

The Boards, including the independent directors of Sintex Industries Limited have approved the proposed Scheme and recommended the same in the interest of their respective shareholders.

Investec Capital Services (India) Private Limited (“Investec”) was the lead financial and transaction advisor.

M/s B S R & Associates LLP provided to the Board of Sintex Industries Limited their recommendation on the ‘Share Entitlement Ratio’ for each of the demergers for consideration by the Board.

The Board of Directors of Sintex Industries Limited have also received an opinion from Investec, a Category I Merchant Banker on the fairness of each of the Share Entitlement Ratio for the equity shareholders of the Sintex Industries Limited, from a financial point of view.

The Board of Directors of Sintex Industries Limited has obtained opinion from KPMG from taxation point of view.

Singhi & Co is the legal advisor to the transaction.

The Scheme is subject to the approval from:

- BSE Limited and the National Stock Exchange of India Limited;
- Securities and Exchange Board of India;
- Shareholders and creditors of each of Sintex Industries Limited, Sintex Plastics Technology Limited, Sintex-BAPL Limited and Sintex Infra Projects Limited;
- Hon’ble High Court of Gujarat; and
- Such other regulatory and statutory approvals as may be required.



**About the Sintex Group:**

Sintex Industries Limited (“Sintex Industries”) is a flagship company of the Sintex Group, incorporated on 1<sup>st</sup> June 1931 under the Baroda State Companies Act of Savant Year 1975 in the name of The Bharat Vijay Mills Limited. The equity shares of Sintex

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Industries are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') and the Non-convertible Debentures ('NCDs') of Sintex Industries are listed on BSE. Further, Foreign Currency Convertible Bonds ("FCCBs") aggregating to US \$ 110 million issued by Sintex Industries are listed on Singapore Exchange Securities Trading Limited. Sintex Industries is one of the leading companies in niche structured yarn and dyed textiles related products in India. Initially, Sintex Industries started its operations in textile and diversified in plastic business. The plastic division manufactures products which includes prefabricated structures, monolithic constructions, FRP (Fiber Reinforced Plastic) products, water storage tanks and thermoplastic moulded, extruded thermoformed and SMC/pultrusion products, resulting in a wide range of custom moulded products.

Sintex Plastics Technology Limited (formerly known as NeevEducare Private Limited) ('Sintex Plastics Technology') is a Company incorporated on 4<sup>th</sup> August 2015 under the provisions of the Companies Act, 2013 and is a wholly owned subsidiary company of Sintex Industries.

Sintex-BAPL Limited ("Sintex BAPL") is a company incorporated on 23<sup>rd</sup> July 2007 under the provisions of the Companies Act, 1956 in the name of Bright Auto Plastic Private Limited. Subsequently, the name of Bright Auto Plastic Private Limited was changed to Sintex-BAPL Limited with effect from 2<sup>nd</sup> September 2015. Sintex-BAPL is engaged in the business automotive sector including providing highly-engineered custom moulding solution to large global and Indian brands that have a presence in diverse sectors.

Sintex Infra Projects Limited ("Sintex Infra") is an unlisted public company incorporated on 25<sup>th</sup> November 2009 under the provisions of the Companies Act, 1956. Sintex Infra is engaged in the business of construction and infrastructure which involves in designing, supplying, laying, commissioning and testing pipes in trunk/lateral/branch sewers and allied works like manhole chamber construction.

All the above companies are part of the Sintex Group (the 'Sintex Group'). Currently Sintex Industries and Sintex-BAPL are engaged in custom moulding business whereas Sintex Infra is engaged in the business of prefab and infrastructure business which is in the similar business line to prefab and monolithic business undertaken by Sintex Industries.



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