

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
AHMEDABAD BENCH  
C A (CAA) NO. 2 OF 2025**

In the matter of the Companies Act, 2013;  
AND  
In the matter of Sections 230 to 232 and other  
applicable provisions of the Companies Act, 2013;  
AND  
In the matter of Scheme of Amalgamation of Kinam  
Enterprise Private Limited (the 'Transferor  
Company') with HLE Glascoat Limited (the  
'Transferee Company') and their respective  
Shareholders and Creditors.

HLE Glascoat Limited  
(CIN L26100GJ1991PLC016173)  
A company incorporated under the Companies Act, 1956  
and having its registered office at H-106, GIDC Estate,  
Vitthal Udyognagar, Anand-388121  
in the state of Gujarat.....**Applicant Transferee Company**

**NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS  
OF HLE GLASCOAT LIMITED, APPLICANT TRANSFEREE COMPANY**

To,  
The Secured Creditors of HLE Glascoat Limited  
(The Applicant Transferee Company')

**NOTICE** is hereby given that by an Order dated March 6, 2025 ('Order'), the Ahmedabad Bench of the National Company Law Tribunal ('NCLT') has directed that a Meeting of Secured Creditors of the Applicant Transferee Company ('Meeting') be convened and held on Friday, April 18, 2025 at 2:00 pm at registered office of the Company at H-106, GIDC Estate, Vitthal Udyognagar, Anand 388121, Gujarat. for the purpose of considering, and, if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Kinam Enterprise Private Limited (the 'Transferor Company') with HLE Glascoat Limited (the 'Transferee Company') and their respective Shareholders and Creditors ('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 Applicant Transferee Company will be held on Friday, April 18, 2025 at 2:00 p.m. at the registered office of the Company at H-106, GIDC Estate, Vitthal Udyognagar, Anand 388121, Gujarat, at which time the Secured Creditors of the Applicant Transferee Company are requested to attend.

Copies of the Scheme of Arrangement and the Explanatory Statement under Section 102 read with Sections 230 to 232 of the Companies Act, 2013 can be obtained free of charge between 11:00 a.m. to 01:00 p.m. on all working days, at the Registered Office of the Applicant Transferee Company, up to the date of the Meeting, and/or at the office of the Advocate Mrs. Swati Soparkar at 301, Shivalik 10, Opp. SBI Zonal Office, S. M. Road, Ambawadi, Ahmedabad 380 015, Gujarat.

NCLT has appointed Mr. Darshan Hemant Pathak, an independent Practicing Company Secretary to act as Chairman of the said Meeting and Mr. Nimish Mehta, Independent Practicing Company Secretary, to act as the Scrutinizer of the said Meeting to be held on April 18, 2025 and in respect of any adjournment or adjournments thereof.

**By Order of the Board of Directors  
For HLE Glascoat Limited**

**Date: March 15, 2025  
Place: Anand**

**Sd/-  
Darshan Hemant Pathak  
Chairman appointed for the Meetings  
Independent Practicing Company Secretary**

**Registered Office:**

Address: H-106, GIDC Estate,  
Vitthal Udyognagar,  
Anand-388121, Gujarat.  
Phone: (02692) 236842-45  
Website: [www.hleglascoat.com](http://www.hleglascoat.com)  
Email: [share@hleglascoat.com](mailto:share@hleglascoat.com)

**NOTES:**

1. In compliance with the provisions of Sections 230 to 232 of the Companies Act, 2013 read with the Rules framed thereunder and other applicable provisions, voting by Secured Creditors of HGL to the Scheme shall be carried out through ballot/ polling paper as arranged by the Applicant Transferee Company at the venue of the Meeting to be held on April 18, 2025.
2. A copy of the Explanatory Statement pursuant to Section 102 read with Sections 230 to 232 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of the Act and the rules made thereunder, the Scheme and the other enclosures as indicated in the Index are enclosed.
3. All documents, referred to in the accompanying Notice and the Explanatory Statement along with the Statutory Registers maintained by the Applicant Transferee Company will be available for inspection by the Secured Creditors of HGL at the Registered Office of the Company during working hours on all working days from the date of dispatch of the Notice upto the date of the Meeting. Secured Creditors of HGL may note that the Notice will also be available on the Company's website i.e. [www.hleglascoat.com](http://www.hleglascoat.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively.

4. In compliance with the applicable provisions of the Act and the Order passed by NCLT, (a) the aforesaid Notice along with Attendance Slip, Proxy Form and Route Map; (b) the Scheme; (c) the Explanatory Statement under Sections 230 to 232 read with Section 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and any other applicable provisions of the Act and the Rules made thereunder, and (d) the enclosures as indicated in the Index (collectively referred to as 'Particulars'), are being sent (i) through electronic mode to those Secured Creditors of HGL whose e-mail IDs are registered with HGL and (ii) through registered post, speed post, courier and / or hand delivery, to those Secured Creditors of HGL who have not registered their e-mail ids with HGL. The aforesaid Particulars are being sent to all the Secured Creditors of HGL whose names appear in the records of the Company as on March 7, 2025.
5. The voting rights as well as the value of the Secured Creditors shall be in proportion to the outstanding amount due to them by the Company as on April 11, 2025 ('cut-off date').
6. The Scheme shall be considered approved by the Secured Creditors of the Applicant Transferee Company if the resolution has been approved by the majority of persons representing three-fourths in value of the Secured Creditors in terms of Sections 230 to 232 of the Act.
7. Any person who becomes a Secured Creditor of the Applicant Transferee Company after dispatch of the Notice and has outstanding due to them by Applicant Transferee Company as on the cut-off date may cast their votes by following the instructions of ballot paper.
8. A SECURED CREDITOR OF HGL ENTITLED TO ATTEND AND VOTE AT THE MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A SECURED CREDITOR OF THE COMPANY. THE INSTRUMENT OF PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF THE MEETING.
9. Form of Proxy is annexed to this Notice and can also be obtained from the Registered Office of HGL.
10. All alterations made in the Form of Proxy should be initialed.
11. The authorised representative of a Body Corporate or Bank or Institution, which is a registered Secured Creditor of the Company may attend and vote at the Meeting, provided a certified true copy of the Resolution of the Board of Directors or other governing body of such Body Corporate or authorisation letter together with attested specimen signature of the duly authorised signatory who are authorised to vote, is deposited at the Registered Office of the Company not later than 48 hours before the scheduled time of the commencement of the Meeting.

12. Secured Creditors of HGL are requested to hand over the enclosed Attendance Slip, duly filled and signed in accordance with their specimen signature(s) registered with the Company for admission to the venue of the Meeting.
13. The quorum for the Meeting of the Secured Creditors of Applicant Transferee Company as directed by the NCLT is 03 (Three), present either through authorized representative or by proxy. The Secured Creditor of HGL or authorized representative of the body corporate attending the Meeting shall be counted for the purpose of reckoning the quorum as prescribed by the NCLT Order.
14. The Notice convening the aforesaid Meeting will be published through advertisement in 'Business Standard', National edition in the English language and translation thereof in 'Jai Hind', Ahmedabad edition in the Gujarati language.
15. The Scrutinizer will submit his report to the Chairman or a person authorised by him, after the completion of scrutiny. The results declared along with the Scrutinizer's Report shall be placed on the Applicant Transferee Company's website i.e. [www.hleglascoat.com](http://www.hleglascoat.com) and shall also be communicated to the Stock Exchanges where the shares of the Applicant Transferee Company are listed and shall be displayed at the Registered Office along with the Scrutinizer's Report.
16. The Scheme, if approved at the Meeting, will be subject to the subsequent approval of the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102, 230 AND 232 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE CALLING THE MEETINGS OF EQUITY SHAREHOLDERS AND SECURED CREDITORS OF HLE GLASCOAT LIMITED.**

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**PURSUANT TO ORDER DATED 6<sup>th</sup> March 2025 OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH**

1. Pursuant to the Order dated 6<sup>th</sup> March 2025 passed by the Ahmedabad Bench of the Hon'ble National Company Law Tribunal (“**NCLT**” or “**Tribunal**”), separate meetings of the Equity Shareholders as well as the Secured Creditors of HLE Glascoat Limited are being convened and will be held, for the purpose of considering and, if thought fit, approving with or without modification(s), the Scheme of Amalgamation of Kinam Enterprise Private Limited (the ‘Transferor Company’ or ‘KEPL’) with HLE Glascoat Limited (the ‘Transferee Company’ or ‘HGL’) and their respective shareholders and creditors (“Scheme”) under Sections 230 to 232 of the Companies Act, 2013 (“Act”) (including any statutory modification or re-enactment or amendment thereof) read with the rules issued there under. The Hon'ble NCLT has vide the above referred order, dispensed with the meetings of the Unsecured Creditors of HGL as well as the Shareholders and Unsecured Creditors of KEPL. The meeting of the Secured Creditors of KEPL is not required to be convened as there are no Secured Creditors of the said company.
2. The definitions contained in the scheme will apply to this Explanatory Statement also.
3. A copy of the Scheme setting out in detail the terms and conditions of the arrangement, *inter alia*, providing for the proposed Scheme of Amalgamation of KEPL with HGL (together referred to as the ‘Applicant Companies’) and their respective shareholders and creditors which has been approved by the Board of Directors of all the Applicant Companies at their respective meetings held on February 13, 2024 are attached to this explanatory statement and forms part of this statement as **Annexure-‘1’**.
4. As stated earlier, NCLT by its said Order has, *inter alia*, directed that the meeting of the Equity Shareholders of HGL shall be convened and held through Video Conferencing or other Audio Visual Means. Where the meeting of the Secured Creditors of HGL shall be convened and held on the same day in physical mode at the Registered Office of HLE Glascoat Limited at H-106, GIDC Estate, Vitthal Udyognagar, Anand-388121, Gujarat.
5. NCLT by its said Order has further directed to undertake vote in the meeting of Equity Shareholders of HGL through (i) remote e-voting system and e voting at the time of meeting and by ballot / polling paper at the meeting of the Secured Creditors.

The scrutinizer appointed for conducting remote e-voting and e-voting at the Meeting will however submit his separate report to the Chairman of the meetings or to the person so authorised by him after completion of the scrutiny of the remote e-voting and voting at the meetings cast by the concerned parties so as to announce the results of the remote e-voting and voting at the Meeting exercised by the concerned parties of the Applicant Company.

## **6. DETAILS OF THE APPLICANT TRANSFEROR COMPANY**

- (i) Kinam Enterprise Private Limited (“Transferor Company”) is a private limited company incorporated on 26<sup>th</sup> June 2023 under the provisions of the Companies Act, 2013. The corporate identity number is U43229GJ2023PTC142341. It is incorporated with an object to design, manufacture and deliver high quality heat exchangers. The Permanent Account Number of KEPL is AAKCK3319F Email id of the Applicant Company is rohit@kinam.in.
- (ii) The Registered Office of KEPL is situated at 746.3, Parikrama Apartment, A Luncikui, 62437, Navsari, 396445, in the State of Gujarat.
- (iii) *The share capital of KEPL as on March 31, 2024 is as under:*

<b>Particulars</b>	<b>Amount in Rs.</b>
<b>Authorized Capital</b>	
70,00,000 Equity Shares of Rs.10/- each	7,00,00,000
<b>Issued, Subscribed and Fully paid-up</b>	
66,81,360 Equity Shares of Rs.10/- each	6,68,13,600
<b>Total</b>	<b>6,68,13,600</b>

The equity shares of the Transferor Company are not listed on any of the Stock Exchanges. Subsequent to 31 March 2024 and up to the date of filing of this Scheme, there is no change in the stated capital of the Transferor Company.

### **(iv) MAIN OBJECTS OF KEPL**

The objects as per the Memorandum of Association are as under:

1. To provide efficient and reliable heat exchanger solutions to customers across various industries. As a heat exchanger company, our primary objective is to design, manufacture, and deliver high-quality heat exchangers that meet the unique needs of our customers. We strive to offer innovative and sustainable solutions that provide optimal thermal performance, minimize downtime, and reduce operating costs.

### **(v) Objects Incidental or Ancillary to the attainment of main objects:**

21. To amalgamate or merge with, or absorb or takeover any company or companies or anybody corporate, whether or not having similar objects with the Company, or to sell, exchange, lease, under lease, surrender, abandon, amalgamate, merge, acquire, demerge, slump-sale, sub-divide, mortgage or otherwise deal with, either absolutely, conditionally or for any limited interest, all or any part of the undertaking(s), property rights or privileges of the Company, as a going concern or otherwise, to / with any public body, corporation, company, society or association, or to any person or persons, whether or not having similar objects as of this Company, for such consideration as the Company may think fit, and to do all such incidental acts, deeds and things as may be necessary to give effect to the amalgamation, merger, absorption, acquisition, takeover, demerger, slump-sale or any other arrangement, as the case may be.

### **(vi) NATURE OF BUSINESS CARRIED ON BY KEPL**

KEPL, the Applicant Transferor Company is a private limited Company. KEPL is incorporated in the year 2023 to carry on the business to design, manufacture and deliver high quality heat exchangers. It is yet to begin its commercial activities and is currently engaged in investment activity.

## **7. DETAILS OF APPLICANT TRANSFEREE COMPANY**

- (i) HLE Glascoat Limited, (hereinafter referred to as 'HGL' or 'the Applicant Transferee Company') is a listed public limited company. It was originally incorporated on 26<sup>th</sup> August 1991 under the provisions of the Companies Act, 1956, with the Registrar of Companies, Gujarat under the name and style of Shri Glasteel Equipments Limited. The name of the company was changed to Swiss Glascoat Equipments Limited vide a fresh certificate dated 3<sup>rd</sup> March 1992. It was changed again to HLE Glascoat Limited vide a certificate dated 5<sup>th</sup> December 2019. The equity shares of the Company got listed on 27<sup>th</sup> April 1994 with the BSE Limited and on 9<sup>th</sup> February 2023 with the National Stock Exchange of India Limited. The corporate identity number is L26100GJ1991PLC016173. The Permanent Account Number of HGL is AACCS6297G Email id of the Applicant Company is share@hleglascoat.com.
- (ii) The Registered Office of HGL is situated at H-106, GIDC Estate, Vitthal Udyognagar, Anand-388121, in the State of Gujarat.
- (iii) The authorised, issued, subscribed and paid-up share capital of HGL as on 31<sup>st</sup> March 2024, is as under:-

<b>Particulars</b>	<b>Amount (in Rupees)</b>
<b>Authorised Capital</b>	
9,00,00,000 Equity Shares of Rs.2/- each	18,00,00,000
26,00,000 Preference Shares of Rs.10/- each	2,60,00,000
<b>TOTAL</b>	<b>20,60,00,000</b>
<b>Issued, Subscribed and Fully paid-up</b>	
6,82,65,480 Equity Shares of Rs.2/- each	13,65,30,960
18,75,152 Preference Shares of Rs.2/- each paid-up	37,50,304
<b>TOTAL</b>	<b>14,02,81,264</b>

The equity shares of the Transferee Company are listed on the Stock Exchanges. Subsequent to 31 March 2024 and up to the approval of this Scheme by the Board of the Transferee Company, the Transferee Company has not issued and allotted shares.

However, on 28<sup>th</sup> June, 2024, the Company had redeemed fifth and final tranche of 20% of the 9.50% Non-Convertible Cumulative Redeemable Preference Shares of face value of Rs. 2/-, in accordance with the terms of the issue.

The authorised, issued, subscribed and paid-up share capital of HGL as on the date of filing of this Application, is as under:

<b>Particulars</b>	<b>Amount (in Rupees)</b>
<b>Authorised Capital</b>	
9,00,00,000 Equity Shares of Rs.2/- each	18,00,00,000
26,00,000 Preference Shares of Rs.10/- each	2,60,00,000
<b>TOTAL</b>	<b>20,60,00,000</b>
<b>Issued, Subscribed and Fully paid-up</b>	
6,82,65,480 Equity Shares of Rs.2/- each	13,65,30,960
<b>TOTAL</b>	<b>13,65,30,960</b>

(iv) The main objects as per Memorandum of Association are as under:

1. To carry on the business as manufacturers, manufacturer's representatives, producers, fabricators, repairers, insulators, traders, stockists, suppliers, exporters, importers, factors, agents and distributors of all classes, kinds, types, nature and description of glass-lined, exotic metals, equipment, tanks, trays, pipes and accessories, laboratory glass, equipment, plain sections, spacers, bands, Y pieces, T pieces, joint, glass, component, valves, glass tubes, reactors, reboilers, receivers, separators, measuring and feed vessels, glass made strirrers, agitators, glass machines and plants and machinery and domestic wares made of glass and components, spares and parts thereof for chemical, pharmaceutical, fertilizer and any other industries or for any commercial and domestic purpose/uses.
2. To carry on the business as manufacturers, processors, importers, exporters, dealers, sellers, buyers, consignors, consignees, agents, stockists, suppliers of all classes, kinds, types and nature of chemicals, dyes, pigments and auxiliaries, intermediates including but without limiting the generality of the foregoing, heavy chemicals, fine chemicals, organic and inorganic chemicals, pharmaceutical, agrochemicals, drug and medicinal chemicals, gum, allied chemicals and boiling agents for textiles, paints, cosmetics, pharmaceuticals, paper, processing, leather, metals, food pigments and other industries made from whatever substances including minerals.
3. To manufacture, produce, install, commission, operate, prepare, pay, import, buy, sell, supply, distribute or otherwise deal in all energy production and conversion activities in all its forms inclusive of but not restricted to various renewable sources like solar energy, wind energy, all forms of biomass, geothermal energy, hydel energy, tidal and wave energy as also effective and efficient utilization of conventional energy forms like coal, oil, gas, electricity and all equipment that may be associated with such energy related activities.

(v) Objects Incidental or Ancillary to the attainment of main objects:

10. To amalgamate, enter into partnership or into any arrangements for sharing profits or losses, union of interest, co-operation, joint ventures or reciprocal concessions with any person or company carrying on or engaged in or about to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and to give or accept by way of consideration for any of the acts or things aforesaid or properties acquired, any shares, debentures, debenture-stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, To negotiate, enter into agreements and contracts or collaborate with foreign companies, firms and individuals for getting or supplying and procuring financial or technical assistance, know-how in the marketing, importing and exporting of any of the products.

(vi) **NATURE OF BUSINESS CARRIED ON BY HGL**

HGL, the Applicant Transferee Company, is a listed public limited company. The shares are listed on BSE Limited and the National Stock Exchange of India Limited. The company is primarily engaged in the business of design, manufacture, development, dealing, selling and market of standard as well as customized glass lined equipment, reactors, receivers/ storage tanks, dryers, filters, heat exchangers, condensers, columns, agitators, valves, pipes and fittings and spares thereof. During the financial year ended on 31<sup>st</sup> March, 2024, on

standalone basis, HGL had total income of approx. Rs. 605.85 crores (Rupees Six Hundred and Five Crores and Eighty Five Lakhs Only) and the profit after tax for the year was approx Rs. 26.64 crores (Rupees Twenty Six Crores and Sixty Four Lakhs Only). It had the Reserves of Rs. 334.07 crores (Rupees Three Hundred Thirty Four Crore Seven Lakhs Only). The Consolidated Results indicate total income of Rs. 976.74 crores (Rupees Nine Hundred Seventy Six Crores and Seventy Four Lakhs Only) for the year ended 31 March 2024, profit after tax for the year of Rs. 40.89 crores (Rupees Forty Crores and Eighty Nine Lakhs Only). The built up Reserves amount to Rs. 403.15 crores (Rupees Four Hundred Three Crore Fifteen Lakhs Only).

#### 8. **Rationale of the Scheme:**

The proposed Scheme is likely to result in the following benefits:

1. consolidation as a single entity shall provide several benefits like reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances and reduction of costs, which would be beneficial for all stakeholders;
  2. simplification of the shareholding structure and reduction in the shareholding tiers;
  3. synergies that exist between the Transferor Company and the Transferee Company will ensure better cash flows and better business efficiency, avoid duplication of work and efforts and reduce managerial overlaps towards their common advantage; and
  4. enhance shareholder value accruing from consolidation of business, thus contributing to the overall growth prospects of the Transferee Company.
- The amalgamation is in the interest of the Transferor Company and the Transferee Company and their respective shareholders, creditors and all other stakeholders and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

#### 9. **Salient features of the Scheme:**

##### **Definitions:**

- "**Appointed Date**" means 7 August 2023 or such other date as may be agreed between Board of Directors of the Parties;
- "**Effective Date**" means the date on which last of the conditions specified in Clause 21.1 (Conditions Precedent) of this Scheme are complied with. Reference in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "effect of this Scheme" or "upon the Scheme becoming effective" shall mean the Effective Date;
- "**Encumbrance**" means (a) any charge, lien (statutory or other), or mortgage, pledge, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term "Encumber" shall be construed accordingly;
- "**Scheme**" means this scheme of amalgamation in its present form, or with or without modification(s), as may be approved or imposed or directed by the Tribunal;
- "**Transferee Company**" means HLE Glascoat Limited bearing CIN L26100GJ1991PLC016173 and having its registered office at H-106, GIDC Estate, Vitthal Udyognagar, Anand-388 121, Gujarat;
- "**Transferor Company**" shall mean Kinam Enterprise Private Limited bearing CIN U43229GJ2023PTC142341 and having its registered office at 746.3 Parikrama Apartment A, Luncikui 62437, Navsari 396445, Gujarat;

#### **4. TRANSFER AND VESTING OF THE BUSINESS OF THE TRANSFEROR**

- 4.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferor Company shall stand amalgamated with and be vested in the Transferee Company, pursuant to Sections 230 to 232 read with other relevant provisions of the Act and Section 2(1B) of the Income Tax Act, such that all the properties, assets, rights, contracts, Permits, claims, title, interest, benefits, authorities, investments, liabilities, duties and obligations comprised in the Transferor Company immediately before the amalgamation shall automatically, and without any further act, instrument, deed, matter or thing, shall stand transferred to and vested in and/ or deemed to be transferred to and vested in the Transferee Company, on a 'going concern' basis for the consideration as set out hereinafter by virtue of operation of law and in the manner provided in this Scheme.
- 4.2 Without prejudice to the generality of Clause 4.1 above, the assets of the Transferor Company shall stand transferred to and vested in the Transferee Company in the following manner:
  - 4.2.1 Such assets of the Transferor Company movable in nature, if any, investment(s) in subsidiary company, share in partnership firm/ LLP, business licenses, Permits, trademarks, patents, domain, registrations, authorization, and/ or otherwise capable of transfer by manual or constructive delivery and/ or endorsement and delivery, the same may, upon coming into effect of this Scheme, be so transferred to the Transferee Company without requiring any deed or instrument of conveyance and shall upon such transfer, become the property and an integral part of the Transferee Company. Provided that for the purpose of giving effect to the vesting order passed under Sections 230 to 232 of the Act in respect of this Scheme, upon the Scheme becoming effective, the Transferee Company shall be entitled to effect the change in the title and the appurtenant legal right(s) upon the vesting of such properties (including immovable properties) of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated, without any other order to this effect. Further, in respect of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by delivery of possession or by endorsement and delivery, the same shall be so transferred upon the Effective Date and shall become an asset of the Transferee Company with effect from the Appointed Date without requiring any deed or instrument of conveyance for transfer of the same.
  - 4.2.2 In respect of assets other than those dealt with in Clause 4.2.1 above, including but not limited to sundry debtors, receivables, bills, credits, loans, advances and deposits, if any, whether recoverable in cash or in kind or for value to be received, bank balances and deposits, etc. the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any Person in pursuance of the provisions of the Sections 230 to 232 read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realize the same stands transferred to the Transferee Company. The Transferee Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred and vested in the Transferee Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.
  - 4.2.3 Without prejudice to the above, the Transferee Company may, if so required under any Applicable Law or otherwise, at any time after the Scheme becoming effective, in accordance with the provisions hereof, execute or enter into any arrangements, conveyance, confirmations, deeds, documents, letters or any other instruments

- relating to any asset of the Transferor Company with any party to any contracts or agreements to which the Transferor Company is a party.
- 4.2.4 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions, Permits, approvals, consents, certificates, authorities (including for the operation of bank accounts), insurance policies, powers of attorney given by, issued to, or executed in favour of the Transferor Company and the rights and benefits under the same, all quality certifications and approvals, trademarks, brands, patents, patent applications, domain names, copyrights, industrial designs, trade secrets, know-how and other intellectual property and all other interests relating to the goods or services being dealt with by the Transferor Company, shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to the Transferee Company as if they were originally obtained by the Transferee Company.
- 4.2.5 The Transferor Company may be entitled to various incentive schemes and benefits. Pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Transferor Company shall be automatically transferred to and vested into the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including benefits under the Income Tax Act (including Minimum Alternate Tax), Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other State Sales Tax, Value Added Tax, or Service Tax or Corporation Tax or Goods and Service Tax, other Applicable Laws, regulations dealing with taxes, duties, levies, cess, exemptions, concessions, remissions, subsidies and other incentives in relation to the Transferor Company, to the extent statutorily available, shall be claimed by the Transferee Company.
- 4.2.6 The transfer and vesting of the assets and liabilities of the Transferor Company as aforesaid shall be subject to the existing securities, charges, Encumbrances, mortgages, if any, in respect of any assets of the Transferor Company. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Parties shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise. Provided also that the Scheme shall not operate to enlarge the securities for any loan, deposits or facility availed by the Transferee Company and that the Transferee Company shall not be obliged to create any further or additional security in lieu thereof, on any assets of the Transferor Company vested in the Transferee Company in accordance with the foregoing paragraphs of the Scheme, after the Effective Date or otherwise.
- 4.2.7 In relation to the assets, if any, belonging to the Transferor Company, which require separate documents of transfer, the Parties will execute the necessary documents, as and when required.
- 4.3 Without prejudice to the generality of Clause 4.1 above, the liabilities of the Transferor Company shall stand transferred to and vested in the Transferee Company in the following manner:
- 4.3.1 With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description, of the Transferor Company shall be transferred or be deemed to have been transferred to Transferee Company, to the extent they are outstanding on the Effective Date, without any further act, deed, matter or thing and the same shall be assumed by Transferee Company so as to become, on and from the Appointed Date, the liabilities and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

The Transferee Company shall undertake to meet, discharge and satisfy the same and further, it shall not be necessary to obtain the consent of any third party or other Person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

- 4.3.2 All loans, advances and other obligations (including any guarantee, letter of credit, letter of comfort or any other instrument or arrangements which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between Transferor Company and Transferee Company, shall stand discharged with effect from Appointed Date and there shall be no liability in that behalf on either party.
- 4.3.3 Upon the Scheme becoming effective, any tax liabilities under the Income Tax Act, Customs Act, 1962, Central Excise Act, 1944, Central Sales Tax Act, 1956, any other State Sales Tax, Value Added Tax, or Service Tax or Corporation Tax or Goods and Service Tax, other Applicable Laws, regulations dealing with taxes, duties, levies, cess to the extent not provided for or covered by tax provision in the Transferor Company's accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provisions for taxation, duties or levies account including advance tax, tax deducted or collected at source and credit for Minimum Alternate Tax and such other tax, as on the date immediately preceding the Appointed Date will also be transferred to the account of and belong to the Transferee Company.
- 4.3.4 For the period between the Appointed Date and the Effective Date all debts, liabilities, duties and obligations of the Transferor Company, shall be deemed to be for and on account of the Transferee Company.
- 4.4 Without prejudice to the generality of Clause 4.1 above, the contracts, deeds, etc. relating to the Transferor Company shall stand transferred to and vested in the Transferee Company in the following manner:
  - 4.4.1 With effect from the Appointed Date and upon the Scheme becoming effective, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance policies, indemnities, guarantees and other instruments of whatsoever nature in relation to Transferor Company, or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect on or immediately before the Effective Date, shall be in full force and effect, on or against or in favour of the Transferee Company and may be forced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
  - 4.4.2 The Transferee Company may, at any time after the effectiveness 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 Person to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.
  - 4.4.3 Until the Effective Date, the Transferor Company shall carry on the business activities in the ordinary course and shall not execute any material contract or undertake or assume any liability, obligation or undertaking without the prior written consent of the Transferee Company.
- 4.5 Upon the Scheme coming into effect, all trade and service names and marks, patents, copyrights, designs, goodwill, business and project credentials which includes the positive reputation that the Transferor Company was enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in

market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, computer accessories, manuals, data, catalogues, quotations., sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company, if any, shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed.

- 4.6 Without prejudice to the provisions of the foregoing sub-clauses of Clause 4 the Transferor Company and the Transferee Company may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company transferred and/ or registered in its name.

## **5. LEGAL PROCEEDINGS**

- 5.1 All legal proceedings of whatever nature by or against the Transferor Company pending on the Effective Date, shall not be abated, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertakings, business, assets, properties and liabilities of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.
- 5.2 On and from the Effective Date, all suits, cause of action, appeal, tax proceedings, investigations, arbitrations, any enquiry or other judicial, quasi-judicial, arbitral or other administrative proceedings of whatsoever nature by or against the Transferor Company in relation to the provision or conduct of the business and pending or arising subsequent to the Appointed Date, shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted or enforced by or against the Transferee Company as if the Scheme had not been made.
- 5.3 On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company. All orders/ judgments/ awards of any Appropriate Authority in favour of the Transferor Company or to the benefit of which Transferor Company may be eligible, shall remain in full force and effect in favour of Transferee Company without any further act, instrument, deed or thing and may be enforced as fully and effectually as if, instead of Transferor Company, the Transferee Company had been a party or beneficiary thereto.

## 8. CONSIDERATION

- 8.1 Upon the Scheme becoming effective and upon the amalgamation of the Transferor Company with the Transferee Company in terms of this Scheme:
- 8.1.1 the investment in equity shares of the Transferor Company held by the Transferee Company shall stand cancelled in the books of the Transferee Company; and
- 8.1.2 the Transferee Company shall, without any further act, deed, issue and allot on a proportionate basis to each shareholder of the Transferor Company (except Transferee Company itself), whose name is recorded in the register of members on the Effective Date, in accordance with the terms of the Scheme and without any further application, act, deed, payment, consent, instrument or deed issue 100 (One Hundred) fully paid up equity shares of Rs.2/- each of the Transferee Company ("**Transferee Company New Equity Shares**"), credited as fully paid up for every 559 (Five Hundred Fifty Nine) fully paid equity shares of Rs.10/- each held by such shareholder or his/ her/ its heirs, executors, administrators or successors in the Transferor Company ("**Share Entitlement Ratio**").
- 8.2 In the event the aforesaid allotment of Transferee Company New Equity Shares in accordance with Clause 8.1.2 results in fractional entitlements, the Board of Directors of the Transferee Company shall consolidate all such fractional entitlements and round-up the aggregate of such fractions to the next whole number, and thereupon issue and allot whole Transferee Company New Equity Shares in lieu thereof to a trustee (nominated by the Board of Directors of the Transferee Company in this behalf) in dematerialized form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders to whom they belong for the specific purpose of selling such shares in the market at such price or prices and at any time within a period of 90 days from the date of allotment of the Transferee Company New Equity Shares as the trustee may, in its sole discretion, decide and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company pertaining to the fractional entitlements.
- 8.3 The register of members maintained by the Transferee Company and/ or, other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of Directors of the Transferee Company) be updated to reflect the issue of Transferee Company New Equity Shares in terms of this Scheme. The shareholders of the Transferor Company who hold equity shares in physical form, should provide the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required, to the Transferee Company, prior to the Effective Date to enable it to issue the Transferee Company New Equity Shares. However, if no such details have been provided to the Transferee Company by the equity shareholders holding equity shares in physical share certificates on or before the Effective Date, the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding equity shares in dematerialised form to a trustee nominated by the Board of Directors of the Transferee Company who shall hold these equity shares in trust for the benefit of such shareholder. The equity shares of the Transferee Company held by such trustee for the benefit of the shareholder shall be transferred to the respective shareholder once such shareholder provides details of his/her/its demat account to the trustee, along with such other documents as may be required by the trustee. The respective

- shareholders shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending the transfer of equity shares from the trustee. All costs and expenses incurred in this respect shall be borne by Transferee Company.
- 8.4 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Transferor Company, the Board of Directors of the Transferor Company shall be empowered prior to or even subsequent to the Effective Date, to effectuate such transfers in the Transferor Company as if such changes in registered holders were operative as on the Effective Date, in order to remove any difficulties arising to the transferors of the shares in relation to the Transferee Company New Equity Shares issued by the Transferee Company after the Scheme is effected. The Board of Directors of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transition period.
- 8.5 In the event, any or all of the Parties restructure their share capital by way of share split / consolidation/ issue of bonus shares or any other corporate action during the pendency of the Scheme, the share exchange ratio stated in Clause 8.1.2 above shall be adjusted accordingly, without the requirement of any further approval from Appropriate Authority to consider the effect of any such corporate actions undertaken by such Party.
- 8.6 The Transferee Company New Equity Shares issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari-passu inter-se in all respects including dividends declared, voting and other rights. The issue and allotment of the Transferee Company New Equity Shares in terms of this Scheme shall be deemed to have been carried out as if the procedure laid down under Section 42, 55 and 62(1)(c) of the Act and any other applicable provisions of the Act have been complied with.
- 8.7 The Transferee Company New Equity Shares issued by the Transferee Company will be listed and/or admitted to trading on the Stock Exchanges where the shares of the Transferee Company are listed and/or admitted to trading. The Transferee Company shall apply for listing of the Transferee Company New Equity Shares on the Stock Exchanges in terms of and in compliance of SEBI LODR Regulations, SEBI Circular and other relevant provisions as may be applicable. The new equity shares allotted by the Transferee Company, pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange.
- 8.8 The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.
- 8.9 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent/ approval also to the consequential alteration of its memorandum of association and articles of association or any other action contemplated as part of the Scheme pursuant to this Scheme and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for such alteration or action, as required under Sections 13, 14, 42, 61, 64 and other applicable provisions of the Act.
- 8.10 The Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals of the Appropriate Authority for the issue and allotment of the Transferee Company New Equity Shares.

## **9. COMBINATION OF AUTHORISED SHARE CAPITAL**

- 9.1 Consequent to the amalgamation and as an integral part of the Scheme, upon the Scheme becoming effective, the Authorized Share Capital of the Transferor Company of Rs 7,00,00,000 (Rupees Seven Crore Only) will be reclassified, altered and combined with the authorised share capital of the Transferee Company and shall stand increased without any further act, instrument or deed and without payment of any fees to Registrar of Companies, stamp duty, etc. pursuant to the provisions of the Act.
- 9.2 Upon the Scheme becoming effective and as an integral part of the Scheme, the Authorized Share Capital of the Transferee Company shall automatically stand increased by Rs 7,00,00,000 (Rupees Seven Crore Only), which shall stand transferred from the authorized share capital of the Transferor Company to the Transferee Company without any further act, instrument or deed and without payment of any fees, stamp duty, etc.
- 9.3 Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 9.1 above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.
- 9.4 Upon the Scheme becoming effective, the Transferee Company shall not be required to file any forms or pay any fees, stamp duty etc., with the Registrar of Companies for alteration of its Authorized Share Capital and alteration in the Memorandum and Articles of Association, as may be required.
- 9.5 It is clarified that the approval of the shareholders to the Scheme shall be deemed to be consent/ approval of the shareholders of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

## **14. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY**

- 14.1 Upon the Scheme becoming effective the Transferee Company shall account for the amalgamation of the Transferor Company in the books of accounts in accordance with "Pooling of Interest Method" of accounting as stated in IND-AS 103 (Business Combinations of entities under common control with effect from the Appointed Date as under:
  - 14.1.1 The Transferee Company shall record all the assets, liabilities and reserves of the Transferor Company vested in it pursuant to this Scheme at the close of business immediately preceding the Appointed Date at their carrying amounts as appearing in the books of account of the Transferor Company, on the Appointed Date;
  - 14.1.2 The Transferee Company shall credit to its share capital account, the aggregate face value of the equity shares issued by the Transferee Company pursuant to Clause 8.1.2 above;
  - 14.1.3 The investment made in the Share Capital of the Transferor Company by the Transferee Company shall stand cancelled and there shall be no further obligation in this behalf;
  - 14.1.4 Upon the Scheme becoming effective, the surplus/ deficit, if any of the net value of assets, liabilities and reserves of the Transferor Company acquired and recorded by the Transferee Company in terms of Clause 4.1 over the sum of the face value of the equity shares issued upon amalgamation issued and allotted pursuant to Clause 8.1.2 and the value of investments cancelled pursuant to Clause 8.1.1, shall be adjusted in "Capital Reserve Account" in the financial statement of the Transferee Company;

- 14.1.5 Inter-Company transactions and balances including loans, advances, receivables, payables and other dues inter-se between the Transferor Company and the Transferee Company, if any, will stand cancelled and there shall be no further obligation/ outstanding in that behalf;
- 14.1.6 In case of difference in accounting policies between the Transferor Company and the Transferee Company, the impact of the same till Appointed Date of amalgamation will be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial Statements of the Transferee Company reflect the true financial position on the basis of consistent accounting policies; and
- 14.1.7 Notwithstanding the above, the Board of Directors of the Transferee Company, in consultation with its statutory auditors, is authorized to account any of the balances in any other manner in accordance with the applicable accounting standards, if such accounting treatment is considered more appropriate.

## **15. TAX TREATMENT**

- 15.1 The amalgamation of the Transferor Company into the Transferee Company shall be as a going concern, in accordance with Section 2(1B) and other applicable provisions of the Income Tax Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the Income Tax Act, at a later date for any reason whatsoever, the provisions of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent deemed necessary to comply with Section 2(1B) and other applicable provisions of the Income Tax Act. Such modifications, however, shall not affect the other parts of the Scheme.
- 15.2 All the benefit of the tax credits whether central, state or local, availed by the Transferor Company including Minimum Alternate Tax, tax deduction at source on income of the Transferor Company, obligation for tax deduction at source on any payments made by or to be made by the Transferor Company, and the obligations if any for payment of the tax on any assets of the Transferor Company or their erection and/ or installation, etc. shall be deemed to have been availed by the Transferor Company or as the case may be deemed to be the obligations of the Transferee Company. Consequently, and as the Scheme does not contemplate removal of any asset by the Transferor Company from the premises in which it is installed, no reversal of any tax credit needs to be made.
- 15.3 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable/ receivable by the Transferor Company including all or any refunds/ credits/ claims relating thereto shall be treated as the asset/ liability or refunds/ credits/ claims, as the case may be, of the Transferee Company.
- 15.4 The Transferee Company is expressly permitted to revise its tax returns including tax deducted at source (TDS) certificates/ returns and to claim refunds, advance tax credits, goods and service tax credits, set offs, rebates, credits, etc., on the basis of the accounts of the Transferor Company as vested with the Transferee Company upon coming into effect of this Scheme, and its right to make such revisions in the related tax returns and related certificates, as applicable, and the right to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

## **18. DISSOLUTION OF TRANSFEROR COMPANY**

On this Scheme becoming effective, the Transferor Company shall stand dissolved without winding up and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned Registrar of Companies.”

**THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME OF AMALGAMATION, THE EQUITY SHAREHOLDERS OF THE APPLICANT TRANSFEREE COMPANY ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME OF AMALGAMATION TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.**

10. The valuation report was provided by M/s. RBSA Valuation Advisors LLP, the Registered Valuers (Registration number: IBBI/RV/06/2019/ 12263) recommending the Share Entitlement Ratio. The said report dated 13<sup>th</sup> February, 2024 is annexed herewith as **Annexure-‘2’**. The Fairness Opinion was obtained from M/s Navigant Corporate Advisors Limited, Category-1 Merchant Banker confirming the recommended Entitlement Ratio to be fair. Copy of the same is annexed herewith as **Annexure-‘2’**.
11. The proposed Scheme was placed before the Meetings of the Committee of Independent Directors and the Audit Committee of HGL, the Applicant Transferee Company held on February 13, 2024 for consideration and on receipt of the recommendation of the Committee of Independent Directors and Audit Committee; the same was placed before the Board of Directors of HGL as well as KEPL on February 13, 2024. A copy of the relevant extracts of the resolutions passed by the Committee of Independent Directors and Audit Committee are annexed and marked as **Annexure-‘17’**. The Board of Directors of both the Applicant Companies passed a resolution by which it was resolved that the Scheme of Amalgamation placed before the respective Board be submitted to National Company Law Tribunal. Certified True Copies of the said Board Resolutions are hereto annexed and marked collectively as **Annexure-‘4’**.
12. **Directors, Promoters and Key Managerial Personnel:**
  - a) The Directors of both the Applicant Companies may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in the companies, or to the extent the said Directors are common Directors in the companies, or to the extent the said Directors are the partners, directors, members of the companies, firms, association of persons, bodies corporate and/or beneficiary of trust, that hold shares in any of the Companies. The details of the shareholding of Directors are annexed herewith as **Annexure-‘8’**.
  - b) None of the KMPs other than Directors and their relatives, of any of Applicant Companies hold any shares in any of the Applicant Companies.
  - c) Save as aforesaid, none of the Directors and KMPs of the Applicant Companies and their relatives have any material concern or interest, financial and / or otherwise in the Scheme.
13. The pre and post Scheme shareholding pattern of the Transferee Company is annexed herewith as **Annexure-‘9’**.

The Capital Clause V of MOA of HGL shall be modified upon consolidation of Authorised Capital of the Transferor Company and in Post Scheme scenario it will be as follows:

*“The Authorised Share Capital of the Company is Rs. 27,60,00,000 (Rupees Twenty Seven crores sixty lakhs only) divided into 12,50,00,000 Equity Shares of Rs.2/- each and 26,00,00,000 Preference Shares of Rs.10/- each.”*

14. The copy of the proposed Scheme is being filed by the Companies before the concerned Registrar of Companies.

15. The audited Accounting Statements of HGL, the Applicant Transferee Company as on March 31, 2024, unaudited financial results of the said Company for the period ended on December 31, 2024 are collectively enclosed as **Annexure-‘11’** to this Notice.
16. The audited Accounting Statements of the Applicant Transferor Company as on March 31, 2024, unaudited financial results of the said Company for the period ended on December 31, 2024 are collectively enclosed as **Annexure-‘12’** to this Notice.
17. Details of capital or debt restructuring, if any – Nil
18. Amounts due to secured creditors (as on December 31, 2024)  
HGL- Rs. 304.29 crores  
KEPL- Nil.
19. Amounts due to unsecured creditors (as on December 31, 2024)  
HGL - Rs. 114.64 crores  
KEPL - Rs.1.35 Lakhs
20. Disclosure about effect of the compromise or arrangement on:

Sr. No.	Particulars	HLE Glascoat Limited	Kinam Enterprises Private Limited
A	Key Managerial Personnel (KMP) (other than Directors)	No effect	No effect
B	Directors	No effect	The Board of KEPL will be discharged
C	Promoters	They will be diluted to the extent of new shares allotted	Promoters who are also the shareholder shall be allotted shares of the Transferee Company
D	Non-promoter members	They will be diluted to the extent of new shares allotted	Shares of Non-promoter shareholder will be cancelled
E	Depositors	No effect	No effect
F	Creditors	No effect	No effect
G	Debenture holders	NA	NA
H	Deposit trustee and debenture trustee	NA	NA
I	Employees of the company	No effect	Employees of the Transferor Company shall employees of the Transferee Company on the same terms and conditions

21. There are no investigation or proceedings pending against any of the companies.

22. Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of amalgamation.

Approvals to the Scheme received from the concerned Stock Exchanges in form of observation letters for HGL, the Applicant Transferee Company.

Notice under Section 230(5) of Companies Act, 2013 is being given to the Central Government through Regional Director, Registrar of Companies and Income Tax Authorities in respect of both the Companies.

Notice under Section 230(5) of Companies Act, 2013 is being given to the Official Liquidator in respect of the Transferor Company.

Notice under Section 230(5) of Companies Act, 2013 is being given to the Reserve Bank of India, SEBI, BSE Limited and National Stock Exchange of India Limited for the Applicant Transferee Company.

23. Information pertaining to the Applicant Transferor Company 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 (**Annexure-‘13’**).

24. In compliance with the specific requirements indicated in the Observation Letters of the concerned Stock Exchanges, details of on-going adjudication and recovery proceedings, prosecution initiated and other enforcement action against the Applicant Transferee Company are - **These cases are Nil.**

25. General:

- i. The rights and interests of the Equity Shareholders, Secured or Unsecured Creditors of the Applicant Companies 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.
- ii. There are no winding up proceedings or any proceedings under the Insolvency and Bankruptcy Act, pending against any of the Applicant Companies as of date.
- iii. The following additional documents will be open for inspection to the Shareholders and Secured Creditors of all Applicant Companies at the Registered Office of HGL as well as KEPL, between 11:00 am to 1:00 p.m. on all working days upto one day prior to the date of meeting:
  1. Audited financial results of both the Applicant Companies as on March 31, 2024.
  2. Unaudited financial results of both the Applicant Companies as on December 31, 2024.
  3. Papers and proceedings in Company Application No. 13 of 2025 including certified copy of the Order of the Ahmedabad Bench of the National Company Law Tribunal in the said Company Application.
  4. Copy of Scheme of Amalgamation;
  5. Memorandum of Association and Articles of Association of both the Applicant Companies.
  6. Valuation Reports, Exchange Ratio Certificates and Fairness Opinion.
  7. Copies of the Statutory Auditors' certificates, dated February 23, 2024 for Transferee Company and dated November 30, 2024 for Transferor Company, certifying that the accounting treatment proposed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
  8. Copies of the resolutions passed by the Board of Directors of both the Applicant Companies, approving the Scheme.

- iv. A copy of the Scheme, Explanatory Statement may be obtained free of charge on any working day (except Saturday and Sunday) between 11:00 am to 1:00 pm from the Registered Office of the Applicant Companies or / and at the office of Advocates Mrs. Swati Saurabh Soparkar, situated at 301, Shivalik 10, Opp. SBI Zonal Office, S.M. Road, Ambawadi, Ahmedabad-380015, in the state of Gujarat.
- v. This statement may be treated as an Explanatory Statement under Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Section 102 and other applicable provisions of the Companies Act, 2013.

**By Order of the Board of Directors  
For HLE Glascoat Limited**

**Date: March 15, 2025  
Place: Anand**

**Sd/-  
Darshan Hemant Pathak  
Chairman appointed for the Meetings  
Independent Practicing Company Secretary**

**Registered Office:**  
Address: H-106, GIDC Estate,  
Vitthal Udyognagar,  
Anand-388121, Gujarat.  
Phone: (02692) 236842-45  
Website: [www.hleglascoat.com](http://www.hleglascoat.com)  
Email: [share@hleglascoat.com](mailto:share@hleglascoat.com)

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
C A (CAA) NO. 2 OF 2025**

In the matter of the Companies Act, 2013;

AND

In the matter of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013;

AND

In the matter of Scheme of Amalgamation of Kinam Enterprise Private Limited (the 'Transferor Company') with HLE Glascoat Limited (the 'Transferee Company') and their respective Shareholders and Creditors.

HLE Glascoat Limited.

(CIN L26100GJ1991PLC016173)

A company incorporated under the Companies Act, 1956

and having its registered office at

H-106, GIDC Estate,

Vitthal Udyognagar, Anand -388121

in the state of Gujarat.....**Applicant Transferee Company**

**FORM OF PROXY**

I, the undersigned, the Secured Creditor of HLE Glascoat Limited, do hereby appoint Mr./Ms. .... of .....and failing him/her ..... of..... as my Proxy to act for me at the meeting of the Secured Creditors of the Transferee Company to be held on Friday, the 18<sup>th</sup> day of April 2025 at 2:00 p.m., at the Registered office of the Applicant Transferee Company at H-106, GIDC Estate, Vitthal Udyognagar, Anand – 388121, in the state of Gujarat; for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Kinam Enterprise Private Limited (the 'Transferor Company') with HLE Glascoat Limited (the 'Transferee Company') and their respective Shareholders and Creditors (the "**Scheme**"), and at such Meeting and any adjournment/adjournments thereof, to vote, for me and in my name ..... (here, "if for" insert "**FOR**" if, "if against" "**AGAINST**" and in the latter case, strike out the words below after "Scheme") the said Scheme either with or without modification(s) as my proxy may approve.

Dated this ..... day of .....2025

Name :

Address:

Signature of the secured creditor.....

Signature of the Proxy.....

**Notes:**

1. The proxy must be deposited at the registered office of Applicant Resulting Company at H-106, GIDC Estate, Vitthal Udyognagar, Anand - 388121, at least 48 (forty-eight) hours before the scheduled time of the commencement of the said meeting.
2. All alterations made in the form of proxy should be initialed.
3. Please affix appropriate revenue stamp before putting signature.
4. In case of multiple proxies, the proxy later in time shall be accepted.
5. Proxy need not be a secured creditor of Applicant Resulting Company.

Affix Rs. 1 Revenue Stamp
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**HLE GLASCOAT LIMITED**

CIN: L26100GJ1991PLC016173

Regd. Office: H-106, GIDC Estate, Vitthal Udyognagar, Anand - 388121, Gujarat

Tel: (02692) 236841 to 236845, E-mail: [share@hleglascoat.com](mailto:share@hleglascoat.com), Website: [www.hleglascoat.com](http://www.hleglascoat.com)

**ATTENDANCE SLIP**

Please complete attendance slip and hand it over at the entrance of the Meeting hall.

<p>Attendance by (Please tick appropriate box)</p> <p><input type="checkbox"/> Secured Creditor</p> <p><input type="checkbox"/> Proxy</p> <p><input type="checkbox"/> Authorised Representative</p>	<p><b>Name</b></p>  <p><b>Address</b></p>    <p><b>Value of debt</b></p>
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I/ We hereby record my presence at the NCLT convened Secured Creditors meeting of the Company, held on 18<sup>th</sup> April, 2025 at 2:00 pm at its Registered Office of the Company at H-106, GIDC Estate, Vitthal Udyognagar, Anand - 388121, Gujarat.

Signature of Secured creditor \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

**Note:**

**Secured Creditor(s) 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 venue**

# ROUTE MAP

## HLE Glascoat Limited

